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THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

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The Nation's Business

Recapitalization of C.N.R. is Sound Project
Bookkeeping Now Mystifies Senator Logan

RAILWAY CAPITALIZATION

IT SEEMS probable that at the forthcoming session the government may deal with the recapitalization of the Canadian National Railways. Shareholders of the Canadian Pacific Railway may feel that any such recapitalization would conflict with their interests. Some good folks sincerely believe that it will decrease the pressure brought on the C. N. R.'s management for increased profits. This has an indirect bearing on the C. P. R. With a recapitalized C. N. R. earning satisfactory profits on its capital, there might be a tendency toward reducing freight rates.

Already, rail rates in Canada are lower than anywhere else in the world, despite the manner in which the roads are handicapped by the sparseness of the population. In the United States, with a population well over ten times that of Canada, rail rates are higher.

This is a feature of the rail situation which Canada cannot neglect. Lower rates would mean that traffic would be moved below cost. And business men throughout Canada realize that if once the C. P. R.'s credit be imperilled, the credit of the whole Dominion will suffer, and suffer very materially.

* * *

BROADLY speaking these features of the recapitalization of the Canadian National Railways are recognized by business men from coast to coast. By and large the Canadian Pacific, in its dealings with the government, has received anything but unfair treatment. Canada cannot afford to handicap unjustly its greatest single business concern. It would be possible for the country to place the C. N. R. on a sensible capital basis without affecting the C. P. R. injuriously and such action should be taken.

The recapitalization of the National Railways will do two important things. It will place that road on a proper capitalization basis—a basis on which it would have been placed many years ago had not a kindly Government stepped in and removed a railway burden from shoulders on which it rightfully rested. And the recapitalization will permit placing the road in a balance sheet position intelligible to all.

* * *

AT PRESENT, it may be doubted if a chartered accountant can decipher the annual balance sheet of the company. Of course, information on its progress is obtainable from the annual income accounts, which shows increase in earnings. But no real idea of any organization's progress can be obtained solely from its income account. The recapitalization of the National Railways will permit that organization to make a start with a sane, businesslike balance sheet, which in the years to come will provide a much better basis of determining the exact progress, or retrogression, which may be made by the undertaking. And for this reason alone, the recapitalization of the National railroad would be for the public weal.

* * *

HANCE LOGAN AS SENATOR

THE Maritime Provinces have a vision of larger prosperity from the growth of Canadian trade with the British West Indies. The anxiety shown by certain groups in the United States concerning the effect of the B. W. I. trade treaty on American ports will not perturb Maritimers who have believed for years that Halifax and Saint John have been the object of unjust discrimination, which favored American ports. If now the Canadian banana trade is to be shifted to Canadian steamers and Canadian ports, the Maritimers only comment will be "It's about time."

It is because he has been such an important factor in bringing about an enlarged B. W I. traffic through Maritime Province ports that the appointment of Hance J. Logan, K. C. to the Senate has aroused almost universal approval in the three Atlantic provinces where party lines are indelible and political animosies die hard.

Mr. Logan is an Amherst lawyer. He was elected in the Laurier-Fielding landslide of 1896 and was the first Liberal elected to Parliament from Cumberland County. Although only in his twenties, he defeated Tupper's minister of justice, Hon. Arthur R. Dickey. He was the youngest member of the House at the time, being only 26.

Senator Logan has always been interested in the extension of trade between Canada and West Indies and has spoken many times in the House on this important question.

In 1924 he was appointed special commissioner to the West Indies and made a tour of the various islands in the early part of 1925. He invited them to send delegates to Ottawa to negotiate a treaty. This was done and the treaty was drawn up and signed up that same year.

WESTERN STEEL PRODUCTS

Western Steel Products shares are to be listed in Toronto and Montreal. Shares are now dealt in in Winnipeg. Company has $1,100,000 of preferred and 100,000 shares of common, on which about $3 is being earned.

MacKINNON STEEL

It is reported that the preferred and common stock of MacKinnon Steel Co. shortly will be called for trading on the Montreal Curb.

OUTPUT RISES, CRUDE STATUS AFFECTS OILS

Production in U.S. Is Far Ahead of Real Consumption

HOPE TO REGULATE

But Some Experts See Laws as Only Means of Shutting-in Surplus Until It Is Needed

Leading oil shares have been lower in the last week on news that the crude oil production in the United States has been growing week by week. In the week ended January 26, the production was 17,500 barrels per day greater than in the previous week, and 290,000 barrels per day greater than in the corresponding week of last year. The increase in production thus is much greater than the increase last year.

Market levels of Canadian oils may have been reflected also by a reduction in the cost of gasoline delivered to the consumer. This reduction would not affect the profits of distributing companies which buy their refined oil from refiners and primary producers on short-term contracts. But big companies like Imperial Oil are affected by softness in the crude market because of contracts with affiliated companies. Imperial Oil's principal subsidiary, moreover, is International Petroleum, which must sell its products at prices regulated by prices in the United States. About 16 per cent. of International Petroleum's production—approximately 4,600,000 barrels—comes to Canada, mostly for Imperial Oil.

Hope for Regulation

Directors of the American Petroleum Institute meet in St. Louis on February 11 to discuss ways and means of curtailing, or regulating, production of crude in the United States to obviate the present noneconomic condition whereby prices show a tendency to get below cost of production and where storage facilities for oil above ground must be increased far beyond the normal needs of the country. Virtually all of the important producers are agreed there must be restriction, but the ways and means are difficult to determine. Only a small fraction of the authorities are in favor of legislation—legislation, possibly, is feared as the initial step toward permanent regulation of the producing industry as a utility.

Co-operation between producing interests to regulate the production of crude first was broached in 1927. It was attempted in the Seminole, West Texas and California fields in 1928 with far more success than was anticipated. Oil prices were stabilized in greater degree than for two or three years previously. The producing interests in the United States began to see new opportunities for profit.

But stiffening in crude prices a few months ago brought temptation too great. Production began to speed up. The patient got out of bed before the cure was complete. A relapse is evident. The question now is whether the producing industry voluntarily will submit to further treatment, perhaps more drastic than before, or will wait until laws are established to compel the industry to keep a portion of the oil underground until it is needed above ground.

Say Cosmos Mills Will Report $3.50

Cosmos Imperial Mills is one of the common stocks of smaller companies in which there has been a revived interest recently. The company had a disappointing report for 1927, showing only $1.21 on the common, and the stock sold down ten points.

Recently it has sold up to 28 on reports that 1928 was a much better year than 1927. It is said that profits will be shown at no less than $3.50 per share after all charges.

"Paint" to be Split Five Shares for One?

From Our Own Correspondent

MONTREAL.—The gossip on the split of the Sherwin-Williams shares grows hotter and keener. Moreover, the shares have maintained their strength which gives more weight to the current gossip. It is now said that the stock will be split five for one and placed on a $2 annual dividend basis. This will be equivalent to $10 on the present stock which now only pays $6 a year. In such a split, the current market price of the stock gives the new shares an indicated value of $46. The $2 a share dividend seems an optimistic forecast.

EFFORT TO PROVE COMBINE IN "NEWS" TURNS OUT A "DUD"

U.S. Senatorial Investigation Lasts One Day in Washington

From Our Own Correspondent

WASHINGTON.—The sensational investigation into the Canadian newsprint "combine" petered out in Washington this week. It lasted one day and proved nothing. Extremely indefinite charges that there is a combine being made between Canadian and United States newsprint manufacturers to raise the price of their product, and definite statements that no such action has been taken or should be feared, characterized the public hearing on Senator Schall's resolution before the Senate Committee on Agriculture, this week.

The resolution's charge that foreign interests have purchased for $16,000,000 a "string" of United States papers for the purposes of obtaining long-time newsprint contracts at an excessive price, was denounced as "poppycock" by Elisha Hanson, attorney for the American Publishers' Association, whose members compose owners of practically all the large daily papers in this country. He also stated that his organization felt that to go further with the inquiry would be without reward, and that when it came to prices of roll newsprint the small publisher was being and would be treated just as well as the corporation which purchased its supplies by the thousands of tons.

"Gossip and Hearsay"

R. S. Kellogg, secretary of the Newsprint Service Bureau, stated, in response to questions, that every charge that had been made of an attempt to create a monopoly was "gossip and hearsay" and that the small buyer had been guaranteed a price the same as that given the large consumer.

Representing the small newspapers of the country, W. L. Dailey, Washington correspondent of the National Editorial Association, complained of the prices being charged for flat sheets as compared with roll newsprint, saying: "It would be folly for the smaller publishers to remain complacent when conditions forecast higher prices for newsprint. It would likewise be unwise for us to regard immediate price stabilization as a criterion for the future. The smaller publishers' interest is based upon an experience of a few years ago when they were obliged to pay $180 a ton for newsprint paper."

One Witness on Corn Paper

While Senator Schall was the backer of the resolution, evidently in behalf of the proposed industry to make newsprint from cornstalks, the only witness in this regard was Prof. C. R. Sweeney, of the Iowa State Agricultural College, who showed samples of paper made by that method, but stated frankly that it was higher in cost than woodpulp paper, also that a very considerable quantity of woodpulp was needed for its manufacture.

Professor Sweeney contended, however, that the making of paper from agricultural products, such as corn stalks and cotton stalks, was in its infancy. It was finally decided to defer action on Senator Schall's resolution to allow senators to study the evidence.

ARE TALKING APPRECIATION FOR VICKERS

But Stock Looks Like Long Pull Speculation for Business Man

PREFERRED MOVES UP

After Post Called Attention to Attractive Feature of Security — Was Out of Line

From Our Own Correspondent

MONTREAL. — The preferred shares of Canadian Vickers made a substantial gain this week following the article which appeared in The Financial Post of last week indicating that the shares were selling decidedly out of line with comparable preferred stocks. A week ago the shares were selling on a 7.78 per cent. yield basis. The current quotations for the stock have reduced the yield materially.

Since the appearance of The Post's article pointing out the merits of Canadian Vickers preferred at last week's level, rumors and gossip began circulating around the speculative merits of the common shares. It has been said that the stock stands a good chance of going to the $100 mark by December 31. The rumors seem optimistic and out of line with the opinions of those who have a real knowledge of the operations of the company.

Appreciation Possible

It is felt that Canadian Vickers common stands some chance of doing well during the next twelve months. During the past year the stock has changed hands but little and has fluctuated from 30 to 40. The present price is around $40 a share.

There are no spectacular developments taking place in the organization; Canadian Vickers is simply steadily moving onward toward an improved position. At the moment, dividends on the common stock seem to be at least two years away.

There are merger possibilities in Canadian Vickers. The control of the company lies in hands which are closely associated with other companies such as Hamilton Bridge, and others engaged in similar fields of activity. The structural steel and engineering departments are operating satisfactorily and in its aircraft department the company appears to be working into a position in which in the coming years it should benefit materially. Patents and the Canadian rights are being obtained on aeroplane construction features and aeroplane equipment including engines. Two years hence the company should be in a position to benefit substantially by the constructive policies adopted in its aeroplane department by the management.

The outlook for the company appears to be satisfactory.

Ham. Bridge Will Earn $8 During 1929?

From Our Own Correspondent

MONTREAL.—The first year of operations of the Hamilton Bridge Company under its present owners will, it is said, not show particularly substantial profits. It is thought the annual report will show a write off of close to $90,000 on the company's unprofitable Welland Canal steel gates contract.

The orders now on hand are substantial and have all been taken at prices from which will accrue satisfactory earnings. Capacity operations during the year are anticipated.

The shares have been strong of late on the market—but their appreciation has been definitely only in line with the earning power position of the company. Those with a knowledge of its operations feel that the 1929 year will probably witness earnings of around $8 a share on the common. It is felt in some quarters that the current year should witness a satisfactory appreciation in the shares, despite the recent rise in the stock.

Those who are holding the stock as a business man's speculation, base their hopes, not only on the materially larger earnings which will accrue to the company in 1929, but also on the ultimate merger possibilities which surround Hamilton Bridge. The company is controlled by a group which is closely associated with Sarnia Bridge, Canadian Vickers, and the Saint John Dry Dock and Ship Building Company. All these companies are interested in fabricating and ultimately there is the possibility of a closer association between these interests which already are operating along harmonious lines.

CARLING DIVIDEND

A year ago, at the annual meeting of Carling Breweries, it was announced that the dividends would be paid annually, at the end of the fiscal year. This had an adverse effect on the stock, although the payment for next year was $2.50 per share, in contrast to the previous quarterly rate of 50 cents. A few weeks ago, it was stated that the directors had decided to go back to the old method of quarterly payments.

The question of quarterly payments has not been determined, but The Financial Post is in receipt of a letter from an officer of the company stating that the payments probably will be adjusted at the February meeting of the directors.

Walker's American Rye Tickles U. S. Palates

Sales Increase Materially With Release of Liquor First Put Into Bond Two Years Ago

Revenue of Hiram Walker-Gooderham & Worts has grown considerably in the last two months, it is reported, as the result of the release from bond of liquor put down two years ago when the present interests assumed control of the Hiram Walker distillery at Walkerville.

The new products are rye whiskies of the type which normally was sold in the United States prior to prohibition. The demand for the new products of the Walkerville distillery thus is attributed to the taste for whisky which prevails south of the international boundary.

Sales of Hiram Walker-Gooderham & Worts are showing a monthly increase, it is said, in both the domestic and the export markets.

Say Question Closed

It is believed in well-informed brokerage circles that the Walker stock has been under accumulation for some weeks on behalf of a pool operating in New York. It is said that one group in recent months has acquired nearly a third of the 660,000 shares of Walker outstanding. The bulk of these holdings, however, are said to have been acquired for the long pull, the holders being of the opinion that the position and prospects of the company justify retention of the shares as a quasi investment.

While there is still a considerable group of investors which are averse to ownership of a liquor stock, and another group which does not think the position sound because at least a portion of the revenue is the indirect result of violation of the laws of another country, it is contended by interests which long have been interested in the stock, that the rumrunning situation is only a remote hazard. The recent conferences of United States authorities with officials of the Canadian government at Ottawa are believed to have disposed of the question of damming the flow of liquor, on behalf of Canada, for a number of years at least, whatever may be done to prevent smuggling by the authorities operating from the other side of the boundary line.

Holt and Gundy Would Build Entire St. Lawrence Waterway in Exchange for 4,400,000 H. P.

But Government Is Not Ready Yet to Discuss It

DELAY BEAUHARNOIS

Unlikely That Any Action on Latter Project Will Take Place in Next Month

From Our Own Correspondent

OTTAWA. — While the fate of Beauharnois still hangs in the balance, a new and somewhat dazzling proposition has been presented to the Federal government.

This proposition, in brief, is this: the Soulanges Power Company, backed by Sir Herbert Holt and J. H. Gundy, have offered formally to build for the government the entire St. Lawrence Waterways, following, in every particular, the recommendations of the Joint International Board of Engineers and the National Advisory Committee. When completed, at an estimated cost of $235,000,000 the government would be given the navigation channel and, presumably, the Soulanges Company would keep the water power—estimated at 4,000,000 horsepower. The company is prepared to begin work immediately and promises to have 200,000 h.p. available for use in five years and 500,000 h.p. in ten years.

Do Not Want to Pay for Canal

On one important point, supposing that this proposition is a serious one, the proposal of the Soulanges Company is weak. The company does not admit that the power should pay for the complete development, but suggests that a conference take place between the cabinet and the officials of the company to determine what proportion of the total cost should be borne by power.

Unquestionably this is another and the latest move on the part of a certain syndicate in Montreal to oppose the Beauharnois application and, since these big power men are very close to the situation in Ottawa, it may be presumed that the move is thought to be of importance. How it affects Beauharnois is not quite clear, unless the Soulanges Company would desire all of the power on the river as payment for navigation construction. The joint engineering board found that 40,000 cubic second feet could be withdrawn from the river without impairing a future navigation and power development such as that envisaged by the Soulanges application, and 40,000 cubic second feet is all that Beauharnois is requesting.

Do Business With Both

As a matter of fact Beauharnois is purely a power project without the slightest reference to navigation and presumably the government could issue a permit to Beauharnais and do business with the Soulanges Company also.

In so far as the Soulanges proposition is concerned, it was made, according to information obtained here, either directly or indirectly by Mr. Gundy. The application, it is said, is dated January 15 and Mr. Gundy is said to have dictated the letter in which it was set forth. The application for the right to develop the entire St. Lawrence waterways is a little too staggering in scope to be taken seriously here although only a few ministers doubt the financial strength of the Soulanges Company to make good any proposal advanced to the government.

One reason it is not taken seriously is that the government is not now prepared to proceed with the St. Lawrence and will not be for many a year to come. An enormous amount of preliminary work must be done before the first dredge can be put on the great waterways. The negotiation of a treaty with the United States, alone, will require perhaps two years and every last detail must be decided once and for all before the final step is taken. Indeed the last item on a programme of St. Lawrence development would be to put the necessary legislation through the Dominion Parliament and since no government could even prepare a legislative programme until after the international treaties had been completed, it may be taken as a fact that with the very best intentions in the world the government could not even look at such an application as that of the Soulanges Company for at least five years.

In the meantime the Beauharnois application which is purely a power proposition clamors for decision. Premier King has gone on a brief pre-session holiday and there will be no meeting of the cabinet until the eve of the opening of parliament. Therefore it is practically certain that Beauharnois will not either be

(Continued on page 2, col. 2)

Principals in New Canal Offer

SIR HERBERT HOLT J. H. GUNDY

The Ottawa correspondent of The Financial Post reports that the Soulanges Power Company, backed by Sir Herbert Holt and J. H. Gundy, have formally offered to build the Canadian share of the St. Lawrence waterway in exchange for power rights.

Algoma President Says Ontario Ore Used in Ten Years

Soo Steel Company Owns 100,000,000 Tons of Siderite

IMPROVE TREATMENT

Gradual Exhaustion of Hematite Brings Day Near When Helen and Magpie Will be Operated

W. C. Franz, president of the Algoma Steel Corp., told the Advisory Board on Tariff and Taxation in Ottawa this week that Canadian blast furnaces would be using iron ore from the north shore of Lake Superior within ten years. This statement is significant in view of the fact that Algoma Steel owns deposits aggregating 100,000,000 tons which can be easily mined. These deposits are within 150 miles of Sault Ste. Marie and the ore could be brought most of the distance by water—from Michipicoten harbor.

At present, Algoma, in common with all other iron makers within reasonable distance of the Great Lakes, is using hematite ore from the Mesabi range in Minnesota. It has been estimated, however, that this ore will be exhausted in less than 20 years. Before that time, most of the steel companies will have had to seek means of beneficiating of lower-grade ore so that it can be used in the blast furnaces economically.

Ontario Offers Bonus

In the United States so far process of beneficiation has consisted largely of removing clay and useless rocks from hematites. In Canada, the ore is siderite and magnetite, which must be treated differently. The mines branch is at present installing equipment for laboratory work in connection with the beneficiation of these ores.

The Ontario government has a standing offer to bonus pig-iron production from Ontario ores to the extent of $1 for every dollar similarly provided by the Dominion Government. Following legislation which would benefit the Nova Scotia steel industry, it is possible that something could be done for Algoma with the co-operation of the Ontario government.

The old Algoma iron works operated with Canadian ore—hematite—from the old Helen mine which was opened in 1897. But the old Helen mine petered out after a few years. The new Helen and the Magpie mines are not practicable operations so long as the process of beneficiation remains as it is and so long as hematite can be obtained from the south shore of Lake Superior.

Steel Company Owns Ore

While most of the land along the Algoma Central & Hudson Bay railway is owned by the railway, the ore properties where are important deposits of low-grade ore are owned directly by Algoma Steel Corp. Algoma Central would get revenue from transporting ore to Michipicoten or to Sault Ste. Marie by rail, but the use of Ontario ore by Algoma Steel would not be complicated by the fact that Lake Superior Corp., holding company for Algoma Steel, and the bondholders' committee operating Algoma Central, are not in agreement as to just the force there is in the ancient guarantee of the bonds of Algoma Central by Lake Superior Corp.

It is said that Lake Superior Corp. believes that, since the scheme of arrangement a number of years ago, the guarantee applies to principal only and not to arrears of interest, which now have mounted into the millions. There is no question that the Algoma Central has physical assets worth far more than principal of bonds outstanding. It has been a policy of the bondholders' committee to maintain the property in a good state of repair. Individuals who have visited the shops and terminals of the railway and made trips over a portion of the line in the last year say that it is a surprisingly well maintained road in view of the dearth of revenue.

Supertest Profits Are Below Estimate

Earnings of Supertest Petroleum will have been less for 1928 than the $390,000 which was estimated a few months ago. But the net will be considerably in excess, it is said, of the earnings of $188,561 for 1927.

The report will not be available for some weeks yet, but it is believed that the net available for preferred and common dividends will be about $250,000. Preferred dividends total $47,000, so that, on this basis, the profits on the common will be about $2.35 per share.

Canadian Car May Increase Common Stock

From Our Own Correspondent

MONTREAL.—It is now rumored that the Canadian Car and Foundry Company is to offer rights to the shareholders and, with the proceeds of the sale of new stock, to redeem the bonded indebtedness of the company.

One story was to the effect that 50,000 new shares would be offered the present shareholders. If any such offering of rights be made, it would double the number of common shares outstanding and bring the common shares up to the 100,000 mark. If the management decided to adopt this course, the new stock would have to be sold at about $90 a share to yield proceeds sufficient to redeem the total bonded indebtedness which at the close of the fiscal year stood at $4,764,599.

FANNY FARMER

Annual report of Fanny Farmer Candy Shops will be available probably next week. It is stated officially that the report will be "quite satisfactory." The stock has moved up recently from 30 to 35, apparently on the basis of the "satisfactory" report. There has been a rumor that Fanny Farmer will pay an extra dividend of 50 cents soon. An officer of the company says that he has not heard of this. The stock is now a $1 basis.

Stock Market

MARKET INDICATOR

20 Industrial Stocks	High	Low
Week of Jan. 30	113.9	105.6
Week of Jan. 23	111.3	102.9
Month of January, 1928	95.6	81.6
8 Bank Stocks		
Week of Jan. 30	320	314
Week of Jan. 23	320	315
Month of January, 1928	298	287
10 Public Utilities		
Week of Jan. 30	122	117
Week of Jan. 23	120	115
Month of January, 1928	111	104

WEEK'S GAINS AND LOSSES

	Gains	Losses	Unch.	Total
Banks	3	5	.	8
Paper	7	11	4	22
Steel	23	10	16	49
Foodstuffs	15	19	22	56
Utilities	11	6	19	36
Tractions	.	7	6	13
Textiles	5	5	15	25
Industrials	24	44	45	113
Total	88	107	127	322

Lake of Woods Milling Completes Bakery Merger

From Our Own Correspondent

[illegible]TREAL.—The Lake of the [illegible] Milling Company has com[illegible] one of the largest bakery m[illegible]s in Canada. The expansion ad[illegible] the milling company's list of bak[illegible]es, two plants in Regina, Calgary and Medicine Hat, and one plant each at Moose Jaw, Saskatoon, Weyburn, Victoria and Winnipeg.

It is said that new plants will be erected in Calgary and Regina. Following is a list of bakeries absorbed in the merger: Speirs-Parnell Baking Company, Winnipeg; the Crown Bakery, Ltd., Muttrie Bakery, Ltd., Regina; Saskatoon Bread Company, Saskatoon; Mitchell Sanitary Baking Company, and Golden West Bakery Company, Calgary; J. B. Richardson and Son, and Central Park Baking Company, Medicine Hat; Clifton Bakeries, Moose Jaw; Weyburn Bread Company, Weyburn; and Rennie and Taylor, Victoria, B.C.

SIMON SONS CIGAR SALES SHOW GAINS

During 1928 Company Sold Nearly Two Million Cigars

OUTLOOK FOR STOCK

Company is the Largest Manufacturer of Higher Priced Cigars in Canada

From Our Own Correspondent

MONTREAL. — The report of H. Simon and Sons, cigar manufacturers, has revealed that operations for the first year since the company became a source of public investment interest, were entirely successful. Simon's is one of the largest cigar manufacturers in Canada, and has a greater output of higher priced cigars than any other company in the Dominion. In 1928 it sold some 19,500,000 cigars, an increase of about two million over the previous year. The capacity of the plant is in the neighborhood of 25,000,000 cigars annually, and it is thought that the maximum output will be reached in the course of the next few years.

During the past year the company put a new brand of cigar on the market known as Simonettes. This product has met with a keen demand, and has proved an asset to the company for more than one reason. In addition to proving a source of revenue, "Simonettes" provide a means of marketing the "shorts" of the best tobacco leaves. These "shorts" cannot be put into the high grade cigars as they are not up to size requirements, and would otherwise have to be discarded.

Costs Are Kept Low

Costs have been pared to a minimum. All scraps of tobacco that finally remain after the manufacture of all grades of cigars, are disposed of in bulk. A keen cost accounting system has been installed. All operations are done by piece work, ensuring a maximum degree of efficiency from the 400 odd workers engaged in the factory. The standard of quality of the company's products is maintained by keen supervision and a careful system of training employees. A school is maintained for the training of those who eventually will be responsible for the manufacture of the cigars, and employees must put in a year's schooling before they are allowed to handle the final operations of cigar making. Workers are started on the making of the lower priced products and gradually work their way up to manufacturing the higher priced cigars. This all tends to keep the standard of cigars at a high grade, which is essential in a product dependent on the tastes of the public.

Though the domestic market constitutes the main source for the company's sales, a certain amount of business is done in the export field. Cigars are shipped to Greece, England, and Newfoundland. A further development of this export trade is looked for in the future.

Position of Stock

From an investment angle the stock is not unattractive. The company has been in operation for 52 years in Canada. No changes have been made in the management or policies of the company since entry into the field of public investments. Earnings, which in 1928 were approximately $4.30 a share, should continue to increase. There are few

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ATT'Y-GENERAL TO INVESTIGATE NICKEL RUMOR

Exception to Mutch Report Taken by President Stanley

The recent slump in International Nickel following an adverse report on the lower levels of the Frood Mine issued by a Northern mining service will be investigated by the Attorney-General's department, states Hon. W. H. Price. "We have received complaints regarding certain statements which have been made concerning conditions at the mine, and an investigation is being made."

As a result of the unfavorable report put into circulation over brokers' wires, J. W. McConnell, Montreal director of The International Nickel Co. of Canada secured the following authoritative statement from Robert C. Stanley, New York, president of the company.

"Since my statement, issued January 18, development fully meeting expectations, we have now cross-cut 140 feet of ore on the 2,800-foot level. No representative of Mutch Company has been authorized to visit the property, nor has any information been given to that company.

"Newspaper controversy as to relative merits of International and Mond Frood properties serves no useful purpose at this time and will only inflame a speculative situation.

"Sufficient resources of high-grade ore have already been proven to ensure the company's future, and the management's sole concern is to bring the property into production as rapidly as possible."

Was Reverse Due Again?

Whether the report in question had any real effect on the liquidating of Nickel shares is largely a matter for conjecture. The fact remains that Nickel stock dropped from a high of 68 on Monday to a low of 62¼ on Tuesday, and in the wave of heavy selling 815,631 shares changed hands on the Toronto, Montreal and New York exchanges.

The stock was well absorbed, however and on Wednesday opened at 66⅞ on the Toronto Exchange, sold up to 69⅞ and closed at 65¼.

In view of the spectacular upward movement in Nickel that has been in progress for some time. and the conprogress for some time, and the conmarket has constantly had matters its own way, a reverse in form was to be expected.

The point in which the Attorney-General's department is doubtlessly interested is therefore, not so much the matter of the market position of the stock, but the checking up of a report in direct variance with President Stanley's statement.

Dominion Glass Company is Not in Any Deal Yet

From Our Own Correspondent

MONTREAL.—The shares of the Dominion Glass Company are continuing their headlong upward flight. In one day, the stock made a total gain of 25 points but later reacted and closed with a total appreciation of 16 points. Rumors of the sale or a merger with other companies still circulate freely. Official sources still deny that there is any special development under consideration by the management. The stock is subject to rapid fluctuations as it is closely held.

Dominion Glass may not take part in a merger or may not be sold, but in any deal it is certain that the shares would have value in excess of the price which prevailed until comparatively recently. From an earnings standpoint the company is doing well and the profits should touch a new high level in 1929.

Kelvinator Profit is $6,156 on Operations

Kelvinator Company of Canada had a profit from operations of $6,156 in the fiscal year ended September 30, 1928, compared to an operating loss of $153,966 in the previous year. Kelvinator of London, a subsidiary company, had a profit of $462 as compared with a loss of $50,657 for the previous year. Net sales of the Canadian company were up 44 per cent. and net sales of the English company were up 61 per cent.

It is stated that these operating profits are arrived at after all proper provisions for depreciation and other reserves. Up to the end of the last fiscal year, the Kelvinator Corp. of Detroit had paid five quarterly dividends on the $800,000 of 7 per cent. Canadian preferred stock, in respect to guarantee.

Following is the profit and loss account for the two years:

PROFIT AND LOSS ACCOUNT
Years Ending September 30

	1928	1927
Profits	$ 6,156	x$715,609
Other income	....	3,333
	$ 6,156	x$172,270
Less: Pfd. dividends ..	....	40,995
	$ 6,156	x$213,265
Income from subsid. ..	....	21,642
	$ 6,156	x$191,623
Add prev. surplus	x145,250	46,372
Bal. P. & Loss	x$139,094	x$145,251

x—Deficit.

C. Rice-Jones Heads New Investment Firm

From Our Own Correspondent

WINNIPEG. — C. Rice-Jones, who since 1917 has been first vice-president of United Grain Growers, Limited, is establishing an investment and financial business in Western Canada under the name of C. Rice-Jones & Co., Ltd. Charter for this new company has been granted at Ottawa. Mr. Rice-Jones has established connections with financial houses in Montreal, Toronto, and in New York, and is now engaged in completing his organization in western cities after which he will maintain his headquarters in Winnipeg, where he will continue to reside.

The new firm, C. Rice-Jones & Co., will conduct a general service for investors on both stocks and bonds and will also take part in the underwriting and marketing of new issues of securities.

Gold Hill Issues Favorable Report

Gold Hill, according to official information, has encountered high grade ore on the west drift of the 1,100 foot level. The ore is reported to be wider than drift width and to have been opened up by slashing on the north wall. One assay taken from this section showed sections of high grade ore over good widths. Improvement has been recorded on the east drift of the same level. Another vein has come in, and it is believed the two veins will shortly come in contact with the syenite and porphyry to the south.

Montreal Sees Little Hope for Holt Gundy Offer

From Our Own Correspondent

MONTREAL.—Holt Gundy interests some time ago bought the Soulanges Power Company charter for, it is said, $5,000. That company has some rights and is now asking the Quebec Government for the right to develop the St. Lawrence. Their idea is, if possible, to obtain rights which would permit participation by the Holt Gundy interests in Beauharnois. But the Beauharnois interests are still unalterably opposed to permitting the Montreal Power and Shawinigan interests to participate in any way in their project.

The Holt Gundy development offer was made some time ago. Their offer to develop the St. Lawrence was contingent upon obtaining two things, namely: the proper charter rights and the necessary rights from the Province of Quebec. There is apparently no chance of the Gundy group obtaining either. The Beauharnois group already has charter rights and authority to proceed from Quebec Province.

It is hardly likely that the Soulanges Power Company application, or any other application embodying real navigation features, would meet with the approval of Quebec where the government, in theory at least, is opposed to deep waterways.

Development for power and navigation of Soulanges section alone would cost $209,000,000 and would develop two million horsepower. There is no market in sight for such a huge block of power. The development of the purely Canadian section of river, namely at Soulanges and Lachine would cost $400,000,000 and develop four million horsepower.

Canada only develops in all, at present, some five million horsepower. The foregoing cost figures are the estimates of the Joint Board and do not include interest during construction. Another feature unfavorable to a Holt Gundy development of the waterways is the fact that construction would take many years.

HOLT AND GUNDY WOULD BUILD ST. LAWRENCE WATERWAY

(Continued from page 1)

approved or refused for perhaps a month.

Denies Offer Made

MONTREAL.—An associate of Sir Herbert Holt and J. H. Gundy denied to your correspondent that they have made an offer to the government in connection with the St. Lawrence Canal.

Montreal Is More Hopeful

MONTREAL.—The Cabinet meets again early next week when it is said there is a very good chance of the application of the Beauharnois Light and Power Company being granted. The Liberals, particularly in Quebec, seems to be growing restive at the Government's delay in dealing with the application. Two of the most stalwart henchmen of the party in Montreal told your correspondent that the Liberals of Quebec had not interfered or endeavored to affect Ontario's development of Niagara Falls and that Liberals in Ontario, in delaying the granting of the application, were playing a part in the development of Quebec which might cause trouble within the ranks of Liberalism.

In the meantime, the French press is taking a part in the game. Recently, Le Devoir—highly regarded by the more radical French-Canadians —said that J. H. Gundy has been opposing the development through Ontario representatives in the Cabinet and has indicated that Liberal interference from Ontario will not be tolerated in Quebec.

Obviously, the Holt-Gundy interests are opposed to the Beauharnois project as it would bring more competition in the power field in the Province of Quebec. The opposing interests perhaps would not press the Government very hard as they are also asking for the expenditure of large sums at the island of Anticosti which in turn would help the Holt-Gundy newsprint companies These companies draw some of their pulpwood requirements from that island.

Those close to the Beauharnois undertaking feel that their application will be granted immediately and even those opposed to the project seem to feel that there is now no chance of the application being turned down or being referred to a parliamentary committee. Some of the Liberal papers in Ontario which hitherto have been suspicious of the project are now favoring it, due perhaps to the fact that the Ontario Hydro-Electric Commission will purchase large blocks of power when the Beauharnois Company has developed the St. Lawrence.

SIMON SONS CIGAR SALES SHOW GAINS

(Continued from page 1)

factors to influence earnings of the cigar business to any great extent on way or another. As long as the company maintains the quality of its products, a good market is assured.

The tobacco crop is a factor which might affect earnings, as prices vary according to the volume of each year's crop. But the business is fortunate in that it is able to buy in large quantities and store the raw product, which is not perishable. As a rule the company carries a two years' supply of tobacco on hand. In a year of high prices, it is able to keep out of the tobacco market to a large extent, and draw on its reserves which were purchased at better prices.

Prospects of a more favorable tariff add a speculative tinge to the stock of the company. The shares would appreciate market wise in the event of a lowering of the tariff regulations, but it is doubtful if such a contingency would have any real effect on the company's earnings.

All in all, there seems to be a good prospect for H. Simon and Sons continuing to increase earnings. In the event of the capacity of the plant being reached—25,000,000 cigars annually — earnings should increase proportionately. Dividend action on the common stock is expected during the current year.

LARGE BOOT MERGER SHARES ARE OFFERED

Agnew-Surpass Preferred and Common Offered at $99 and $18

From Our Own Correspondent

MONTREAL.—Formal announcement of the preferred and common share stock offerings of the Agnew-Surpass Shoe Stores was made this week. The shares are being offered by a syndicate headed by Greenshields and Company and includes R. A. Daly and Company and the Bankers Bond Company. The Agnew-Surpass Shoe Stores is a merger company which owns all the outstanding stock of the John Ritchie, John Agnew and Surpass shoe companies. Application will be made to list the common shares on both the Montreal and Toronto Stock Exchanges.

The particulars of the new offering follow:

$1,000,000
AGNEW-SURPASS SHOE STORES, LTD.
7% Cumulative, Convertible, Preference
Stock of $100 Par Value
Also 10,000 shares of common stock with
no par value.

Capitalization:	Authorized	Issued
7% Cum. Con. Pref. stock	$1,500,000	$1,000,000
Common shares, without par value ...	*135,000 shs.	80,000 shs.

*Including 45,000 shares authorized for the conversion of preference stock.

The Company: One of the largest manufacturers of boots and shoes, and the largest boot and shoe chain store system in Canada. The component companies record of earnings has been excellent.

Earnings: For the year ending May 31, 1928, better than 2.3 times the dividends on the preference stock and equal to some $1.15 a share on the common. Earnings are now running substantially in excess of a year ago.

Assets: Not including goodwill and only nominal amounts for equipment have been appraised at $1,268,680.

Conversion Privilege: The shares are convertible at any time at the rate of three common for each preference share.

Offered: January, 1929, at $99 for the preferred and $18 for the common by Greenshields & Company, R. A. Daly & Company, and the Bankers Bond Company.

Nevada Mercury Mines Stock Sold in Canada

From Our Own Correspondent

MONTREAL. — The Commonwealth Securities is making an offering of the shares of the Nevada Quicksilver Mines. The stock of the company has all been issued. The present offering represents but a limited number of shares. The Canadian directors on the board are Stanley E. Elkin, of Saint John, N. B., and Frederick B. Brown, consulting engineer of Montreal. The present price of the shares is $1.50.

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of this new Booklet

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BALANCE
SHEET"

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CONSERVATIVE
INVESTMENTS

Our January list of selected investments contains several Bonds and Preferred Stocks which are most attractive from the standpoint of security, marketabiliy and yield.

A copy of this list, together with a letter on the business and stock market outlook for 1929, will be forwarded to you upon request.

KIPPEN & COMPANY
INCORPORATED
Investment Bankers
204 HOSPITAL STREET
Montreal MArquette 4141*

EASTERN DAIRIES OFFERS FARMERS $36 PER SHARE

Toronto Enterprise Will be Merged with Acme Dairy

Eastern Dairies, the Nesbitt, Thomson enterprise with headquarters, has offered $36 per share for the 70,000 shares of common stock of Farmers' Dairy, Toronto. Presumably the operations of Farmers' Dairy will be merged with Acme Dairy, Toronto, which already is a unit of Eastern Dairies. Eastern Dairies operates dairy companies also in Ottawa, Montreal and Winnipeg.

Farmers Dairy stock closed at 34¾ on Wednesday night and its highest figure on the Toronto Curb was 35. It was reported earlier in the week that Eastern Dairies had offered $32 the share but that the management of Farmers Dairy was holding out for $36. Completion of the deal on the basis of $36 was not expected.

Book Value $12

At $36, Eastern Dairies will be paying $2,520,000 for the common stock of Farmers Dairy. There is also $700,000 of 7 per cent. cumulative preferred stock outstanding which is not affected by the deal. The company earned $70,244 on the common, or $1 per share, in 1927, and it is reported that the 1928 profit was about the same. The dividend is 50 cents per share.

As at December 31, 1927, the company had current assets of $285,420 and current liabilities of $191,273, leaving a working capital of $94,147. Fixed assets after depreciation were shown at $326,296 for plant and equipment and $982,679 for real estate in Toronto and elsewhere. The net assets thus were $1,500,249. Subtracting the par value of the preferred stock, the equity of the common stock was $800,249, or the equivalent of $11.40 per share.

Owns Three Plants

Farmers Dairy has been a fairly active stock on the Toronto curb for about two years. The old stock of $50 par value was split ten for one and opening trades in the new shares were around $21. The purchase price, therefore, represents a substantial advance.

Farmers Dairy is reputed to have a large and wide distribution of milk and cream in Toronto. Butter, cheese, milk powder and ice cream are other products. Plants at Syddenham and Napanee, Ont., are devoted to the manufacture of milk powder for export.

The Hon. G. S. Henry is president of the company, J. G. Cornell is vice-president and W. Fegan is secretary. Other directors are O. G. Bales, W. J Bragg, R. M. Holtby, R. M. Loveless, A. J. Reynolds and G. H. McKenzie.

From time to time there have been negotiations between City Dairy, Toronto, and Farmers Dairy but it is said that all possibility of deal whereby City Dairy would take over Farmers Dairy was dissipated about two months ago.

The Hon. G. S. Henry's statement to the shareholders of Farmers' Dairy reads as follows:

"Your directors, after considerable negotiation, have received a firm offer from a responsible company, Eastern Dairies Limited, of $36 per share for all the issued common shares of the company. This offer will be open for acceptance by shareholders up to April 1, 1929, and is subject only to the usual examinations by the purchasers, auditors and solicitors. All of your directors have accepted this offer as to their own stock, and they recommend its acceptance by the other holders of common shares.

"As soon as the purchaser's examinations have been completed, a further notice will be sent to you setting out the procedure to be followed in order to carry through the proposed sale. The company's preferred shares are not to be included, and the holders of these shares will not be affected by the present sale of the common shares."

New Newsprint Price Said to be $55.50

From Our Own Correspondent

MONTREAL.—It is understood that some progress is being made toward maintaining the price of newsprint this year at a level which will not cause too much suffering throughout the industry. The price which is now named is $55.50 ton. It is said that an arrangement has just about been concluded with Hearst, which will mean that he will pay International Paper a higher figure than $52 a ton for his newsprint during the coming year. Such an arrangement is possible as Hearst has other newsprint contracts which perhaps might be adjusted in some fashion so as to eliminate the menace to the whole industry of the $52 price set by the International-Hearst contract.

Await Details of Merger of Sand and Paving Firms

Shareholders as yet have not been informed as to the exact terms of the proposed merger of Standard Paving and Consolidated Sand & Gravel, although it is believed that the shareholders of the latter company will be offered one share of Standard Paving for two of Consolidated Sand. The market prices are approximately at that level.

Consolidated Sand has outstanding $1,200,000 of 7 per cent. preferred as well as 30,000 shares of common. Standard Paving capitalization consists simply of 60,750 shares of common.

Brooks Steam Motors Stratford Experiments Cease

Brooks Steam Motors plant at Stratford is closed down. When G. T. Clarkson, under the direction of the court, took charge of the company certain experimental work on the steam bus was permitted to continue, but it was soon found necessary to end even these activities.

Brooks Steam Motors, Inc., with a plant at Buffalo, N. Y., still is experimenting with the steam bus, and O. J. Brooks, the promoter, is reported to be hopeful of reviving the enterprise in Canada. Nothing can be done by the Canadian company, however, without the sanction of Mr. Clarkson.

Western Steel Products

Western Steel Products had profits of $514,012 before providing for bond interest in the year ended December 31, 1928, compared with $313,363 in the previous year.

The Store for Men

BADMINTON
SOCKS - $1.50

TO have your feet comfortably attired when playing badminton is to have on a pair of these badminton socks. They're fashioned in a honeycomb rib knit from soft wool yarns in a pure white shade. Full fashioned, well fitting styles obtainable in sizes 10 to 11½. See the display in The Store for Men. Priced at $1.50.

The Store for Men—Street Floor.

THE ROBERT SIMPSON COMPANY LIMITED

Special Centennial Dividend Notice

Imperial Royalties Company

In addition to the 100th dividend of 1½%, payable on January 30th, 1929, on Preferred shares of record January 25 (making a total of 170½% in cash since April, 1920), and the dividend of 15 cents per share, payable on January 30th, 1929, on the Class A Preferred shares of record January 25th, the Company will pay

A DIVIDEND ON
COMMON SHARES

on January 30th, 1929, of 1 cent per share on the Common shares of record January 25th, and a dividend of 15 cents per share on the Class A Common shares of record January 25.

For full particulars consult the

Sole authorized Canadian dealers

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TIP TOP TAILORS REPORTS PROFITS $4.40 PER SHARE

Liquid Position Excellent, with $300,000 Loaned on Call

Tip Top Tailors annual report, published this week, shows earnings of $4.40 on the 120,000 shares of common stock, in contrast with the estimate of $2.85 per share for the year at the time of the stock issue last April. A week ago, The Financial Post forecast the profit per share at approximately $4.50.

The company is revealed to be in excellent current position, with liquid assets totaling $1,813,985 and current liabilities totaling $113,068. The company has $300,000 loaned on call. Of the current liabilities, $25,550 is for preferred dividend payable and $54,361 is reserve for Dominion income tax.

Gross profits for the year were $718,981, compared with $541,581 for the previous year.

Largest in Business

The company operates 36 of its own stores and sells its one-price suits and overcoats also through 1,600 agencies. It is stated in the report signed by D. Dunkelman, president and general manager, that the company is now the largest made-to-measure clothiers in Canada and he believes that there is further field for expansion in Canada. As reported a week ago, the company has acquired a 3½ acre site on the Toronto water front where a new factory will be built. The present factory was doubled in size three years ago but is now inadequate for the company's business. It is said that the company will open more of its own stores as soon as the factory can produce a sufficient quantity of goods.

Profit and loss account follows:

Summary of Profit and Loss

Particulars	Amount
Profits from operations	$718,981.56
Deduct depreciation	58,862.28
Profits, before income taxes	$660,119.28
Reserve for income taxes	54,361.67
Net profits	$605,757.61
Add excess of increase in cash surrender value of life insurance policies over premiums paid etc.	5,453.04
	$611,210.65
Less dividends on preferred	76,650.00
Surplus	$534,560.65

Mining Corp. Buys B.C. Silver Claims

Mining Corporation of Canada has officially announced an agreement to purchase a 35 per cent. interest in a silver, lead zinc property in the Kicking Horse Valley, near Field, B. C., on the main line of the C. P. R. A company with an authorized capital of 3,000,000 shares of no par value is to be formed and 2,000,000 shares issued at once. The holdings comprise an area two miles square.

BANKING SERVICE

THE service of the Bank of Montreal is measured only by the requirements of its customers. While the Bank co-operates with many of the largest enterprises in Canada, its service is equally extended to all of its clients. The Bank cordially welcomes small accounts.

Total Assets in excess of
$870,000,000

Head Office
Montreal

BANK OF MONTREAL
Established 1817

BRUCK SILK MAKING EXCELLENT PROGRESS

Now Earning Over $2.25 a Share — Larger Sales Expected

From Our Own Correspondent

MONTREAL.—The shares of the Bruck Silk Mills have been listed on the Montreal Stock Exchange and removed from the Montreal Curb Market. During the past year the shares have had a remarkable record marketwise due to the improving position of the company. In 1928 the stock advanced from a low of 34 to a high of 95. The shares were then split four for one and the new stock has sold up from 20 to 37 a share. The present price is equivalent to about $148 for the old shares.

For the nine months period ending October 31 last, the earnings were equivalent on an annual basis to $2.28 a share. During the same nine months period the sales amounted to $1,131,390 as against $918,101 for the full preceding twelve months period.

The company's plants at Cowansville are working at capacity and a further increase in sales is expected. The common shares are on an annual dividend basis of $1. The following figures show something of the company's balance sheet position as at October 31 last:

Total assets	$1,298,924
Bonds	528,300
Current assets	407,163
Current liabilities	126,855
Working capital	280,308

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in the City of
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We cannot begin to detail here the innumerable refinements of design . . . the beauty of finish . . . the perfection of service and equipment which make DOMINION SQUARE BUILDING the most up-to-date and most desirable office location in Canada.

We do suggest that you have us call at your earliest convenience, ready to furnish you with all necessary particulars about DOMINION SQUARE BUILDING. As a business man, you will find them of vital interest.

For here is a unique opportunity to move your Montreal business, not only into a building magnificently modern but also to what will quickly become the most famous business address in the whole Dominion.

Dates of Occupancy

Garage space in DOMINION SQUARE BUILDING, covering four under-ground floors will be available on June 15.

Ground floor, Mezzanine and the first floor will be ready for occupancy on July 1. Additional floors will be brought to completion every ten days thereafter.

The entire building will be ready for occupancy at the end of the year. See floor plans and select your space NOW.

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$3.02 IS PROFIT ON CITY DAIRY FOR LAST YEAR

Gain Is 5 Cents Per Share Compared With 1927

WORKING CAPITAL UP

Balance Reveals Strong Position With Investment in Government Bonds Continuing to Grow

Annual report of City Dairy, Toronto, shows profits of $3.02 on the common stock, after preferred dividends and all other charges. It previously had been forecast in The Financial Post that the earnings would be slightly more than $3 per share, compared with $2.97 the previous year, although it is predicted that 1929 will show considerable improvement owing to some readjustments which increase slightly the spread between the cost of materials and the prices to the consumers.

Net profits after taxes and depreciation, were $327,963, compared with $323,902 in 1927 and $278,490 in 1926. Preferred dividends of $49,000 left $278,963 available for dividends on the 92,400 shares of common stock outstanding. The dividends of $2 per share in 1928 totaled $184,800. This was double the payments in 1927 and 1926, when the company had 23,100 shares of common of $25 par value outstanding.

Working Capital Higher

Although the company at the end of 1928 had somewhat less cash on hand than at the end of the previous year, and although current liabilities are higher, the working capital is increased from $887,658 to $942,307. Current assets totaled $1,351,898, compared with $1,254,877 a year ago. Cash is down from $194,430 to $136,316. Accounts receivable are up from $95,955 to $119,864. Inventories are up from $66,879 to $93,065. Investments in Dominion of Canada bonds are increased from $760,697 to $863,716. The investment in Ontario provincial bonds remains the same at $130,554. Accounts payable, including outstanding milk tickets, total $359,526. Dividends declared but not paid as at December 31 totaled $59,065, bringing the current liabilities to $409,591, compared with $367,219 a year ago.

Fixed Assets Down

Investments in subsidiary companies are shown as having been increased during the year from $458,095 to $511,813. Real estate, buildings, plant and equipment are shown at $737,662, compared with $756,086 a year ago. Depreciation is taken off before the item of fixed assets is shown in the balance sheet.

The report to the shareholders signed by S. J. Moore, chairman of the board, and W. J. Northgrave, president, reports that the subsidiary Drimilk Co. in July purchased the Villa Nova Milk Products of Villa Nova, Ont. The plant is being operated as a receiving station. A new plant was constructed at Princeton, Ont., during the year and new machinery is being installed shortly for operation as a condensing and milk powder unit. The cost of these additions is reflected in the increased shares of the subsidiary company.

Following is the profit and loss account for the last three years.

	1928	1927	1926
Net profits	$327,963	$323,902	$278,490
Total	$233,800	$141,025	$139,400
Less approp.:			
Pref. divid. ..	49,000	49,000	49,000
Com. divid. ..	184,800	92,025	90,400
Surplus for year	94,163	182,877	139,090
Add prev. surp.	772,119	589,242	450,152
	$866,282	$772,119	$589,242

ONTARIO LOAN CO. REPORTS PROFIT AT NEW RECORD

Mortgages Outstanding Are Highest in Company's History

Ontario Loan & Debenture had a profit, after taxes, of $300,836 in the year ended December 31, 1928, compared with $289,334 in the previous year. The profits in the last year were 17.1 per cent. on the capital of $1,750,000, compared with 16.6 per cent. in 1927. The 1928 profits are shown before deducting $10,000 which was subscribed to the endowment fund of the University of Western Ontario.

The company again paid dividends of 12 per cent. for the year and $75,000 was added to the reserve, bringing that fund to $2,875,000. Taxes total $21,955.

High Record in Mortgages

A good demand for mortgage loans was experienced, with the result that the company's funds were kept fully and profitably employed. Investments in mortgages increased by $1,179,648 and are now at the highest figure in the history of the company—$9,064,117. The special or temporary deposits which were referred to in the last annual report have been used as was intended by their owners. Consequently the total of the deposits ($951,689) is reduced to a mere figure. Sterling debentures are down from $877,795 to $835,201. Dollar debentures likewise are reduced slightly, from $5,144,983 to $5,086,615.

Following is the record of the company for a number of years:

	Rate of Earnings			
Year	Paid-up Capital	*Profits	Earned p.c.	Div.
1917	$1,750,000	$254,610	15.0	9
1918	1,750,000	250,739	14.7	9
1919	1,750,000	246,182	14.4	9
1920	1,750,000	251,029	14.4	9+1
1921	1,750,000	289,591	16.6	10
1922	1,750,000	270,706	15.5	10+1
1923	1,750,000	265,580	15.2	10+1
1924	1,750,000	273,340	15.7	11
1925	1,750,000	269,245	15.4	11
1926	1,750,000	282,152	16.2	11
1927	1,750,000	289,334	16.6	12
1928	1,750,000	†300,836	17.1	12

* After income tax.
† Before deducting $10,000 for subscription to endowment fund.

Aeroplanes for North

According to report the Western Canada Airways Limited is going to inaugurate an air service to the fur trading posts of Chipewyan, Smith, Resolution, Hay River, Providence and Simpson. Present plans call for four trips a day from Waterways.

Nothing Over $500

Suggestions for the Beginner in Investment Whose Capital is Limited

Suggestion No. 9 — Loblaw Groceterias

By J. G. JOHNSTON

In previous articles in this series of suggestions for stock purchases involving expenditure of $500 or less, the effort has been made to select stocks of companies in basic and essential industries and the group, considered a whole, is beginning to show considerable diversification as to industry as well as company.

This article will deal with a chain store—Loblaw Groceterias. Possibly by the time this appears in print the price per share will be greater than $100, so that the purchaser cannot get five shares for $500; the stock has been hovering between 100 and 102 for two or three weeks. The market has been stronger in the belief that rights shortly will be offered, that there will be a split in the stock and on the report that the affiliated United States business is doing well. In view of these promising prospects, a point or two variation in the price should not make much difference to the investor planning to hold this stock over a term of years.

Long Has Been Profitable

Holding of this stock over a term of years has been profitable. There has been somewhat rapid appreciation in market value over the last two years, for instance, and the return to shareholders has been enhanced by the frequent sale of new stock by allotment. These allotment shares, or rights, may be viewed either as additional dividends, if the rights are sold, or as an opportunity to acquire an additional interest in the company at a cost below the prevailing market price for the shares. For instance, if the holder of five shares is given the right to purchase from the treasury of the company one additional share for $60, in contrast to the market value of $100, his gain is $40 in capital, or $8 per share on his original holding if he elects to sell his rights.

The present dividend in Loblaw common stock is $2 per share. No very marked increase in the rate can be expected because the company uses a large part of its earnings for expansion. There is ample room for expansion in Canada, as in the United States. But the shareholder who, by exercising his rights to purchase, has maintained his proportionate investment in the company over the last three years finds that the return, even from the regular dividends, is not unsatisfactory. The company paid $144,000 in common dividends in 1926, $201,958 in 1927 and $217,792 for the fiscal year ended May 31, 1928. Thus the aggregate dividends have grown more rapidly than the rate per share, because of the increases in the number of shares outstanding through a split in 1926, an additional issue in the same year rights in 1926 and again in 1928. The company in that time has eliminated a second preferred stock and has reduced the amount of prior preference stock outstanding.

Highest Sales Per Store

Loblaw Groceterias is the second-largest chain food-store organization in Canada in point of gross sales and the rapidity of increase in sales indicates that it may be some day the leader in gross sales. The gross sales per store per year are larger than the sales per store of any food chain on this continent. The net profit per dollar of sales also is unusually large.

The high gross sales per store is a tribute to the management. The groceteria type of store had been originated in the United States but it remained for Loblaw's to demonstrate to what extent the system could be developed. The company now operates stores in Toronto, Hamilton, Windsor, Ottawa and a number of other Ontario centres. It is constantly adding to the chain in an ever-widening circle. Eventually a truly national organization is possible.

Loblaw Groceterias, Ltd., owns slightly more than 50 per cent. of the common stock of Loblaw Groceterias, Inc., a New York state company which has been operating stores of the Loblaw type in Buffalo, Niagara Falls and Rochester for a number of years and which in the last year entered the Chicago field in an aggressive manner. There are now about 33 stores operating in the Buffalo territory and nearly 80 in Chicago. It is intended within a few months to round out the Chicago chain to 100 stores, at which point it is estimated that the company will receive the full benefit of advertising in Chicago daily newspapers.

For a Diversified List

If the United States subsidiary of Loblaw's is a success, it eventually will be a great source of revenue to the parent company in Canada. If it is a failure, the Canadian company still will be a promising investment. The Loblaw investment in the subsidiary company is carried at the modest sum of $260,001. The $1 represents the 50.4 per cent. of the common stock and the $260,000 was the initial investment in Buffalo. The United States enterprise now is capitalized at $2,475,000 of 7 per cent. preferred and 56,033 of common. It is believed that the Loblaw chain in the United States eventually will be profitable to the common shareholders.

The investor who believes that the groceteria type of food store chain is here to stay should have no hesitancy in investing in Loblaw's, the leader of its kind in Canada, which has a potential asset in a United States subsidiary. The investment is suitable for a person who has a diversified list of common stocks, if he does not require immediate higher yield, or if he has a background of gilt-edged bonds.

This is the ninth of a series of articles dealing with investments for the small investor. The previous suggestions, in the order named, were: City Dairy, Shawinigan Water & Power, Steel Co. of Canada, Imperial Oil, Power Corp., Brazilian Traction, Canadian Canners second preferred, Dominion Bridge.

New Industry for Windsor

A grain elevator and 5,000 barrel per day flour mill is to be built at Windsor, Ontario, by a private company at a cost of $3,000,000.

BRONZE PROFITS AT $4.28 A SHARE IN FISCAL YEAR

Balance Sheet Position Satisfactory in Initial 12 Months' Report

From Our Own Correspondent

MONTREAL.—The annual report of the Canadian Bronze Company for the fiscal year ending December 31 last shows earnings equal to $4.82 a share on the 80,000 common shares outstanding. A proper comparison of the earnings in 1928 with those of the preceding year is impossible as the company's income account in 1927 only covered the nine months period from March 31, 1927—the date at which the company was acquired from U. S. interests and at which the Canadian investors became interested in the undertaking. Operating profits in 1928 of $469,268 compare with a figure of $365,836 in the preceding twelve months.

The company's income account for the 1928 year was as follows:

	1928
Operating profits	$469,268
*Net revenue	25,676
Net profits	494,944
Pref. dividends	75,003
Balance	419,941
Pref. sinking fund	41,994
Balance	377,947
Common divs.	160,000
Surplus	217,947
Prem. on pref.	27,497
Balance	190,450
Previous balance	217,806
P. & L. balance	408,256

*From investments, interest and rentals.

Working Capital Position

	1928	1927
Curr. assets	$752,028	$764,972
Curr. liabs.	288,535	228,047
Working capital	463,493	536,925

Despite additions to the company's plant undertaken and completed during the year, the management now carries its plants at $692,753, as against $780,110 a year ago. Investment account has increased from $429,800 to $476,400. With the exception of the substantial increase in the surplus account noted in the foregoing figures, and the increased cash account from $92,600 to $126,000 there were no other significant changes in the balance sheet.

Remarks to Shareholders

In his remarks to the shareholders, P. R. Diamond said in part:

"During the year 1928 we added to our chain another foundry, in the State of Vermont in the United States, for the purpose of supplying the New England market with our product. We are pleased to say that this plant is progressing very satisfactorily.

"We wish to draw your attention to the fact that in addition to buying this plant, we increased our investments by $45,000, and we also purchased 2,750 shares of our preferred stock for redemption and cancellation.

"We are pleased to say that we have over 750 shareholders, both preferred and common, spread over the entire Dominion of Canada, who are interested in the success of your company.

"It is gratifying for your directors to report that our business has been augmented by the acquisition of a great number of industrial lines, with the result that these lines, added to our regular work, frequently necessitated our foundries operating 24 hours a day.

"In presenting our last annual report we called your attention to the fact that the Canadian Bronze Company, Limited, was the largest manufacturer in Canada of brass and bronze castings, and that we were continually taking steps to improve the quality of our product wherever possible."

"Bridge" Leases Portion of Walmsley's Plant

From Our Own Correspondent

MONTREAL. — New developments taking place at the plant of Charles Walmsley and Company should have at least some favorable bearing on the earnings of that company and Dominion Bridge, its parent organization.

The Canadian Pratt and Whitney Aircraft Company has been formed and has leased a portion of the Charles Walmsley plant. The necessary alterations and additions are under way and the new company is expected to get into production by the middle of February. It is planned at first to confine operations to assembling, overhauling, and servicing aeroplane engines and later to take up the manufacture of parts.

The directorate of the company includes: G. H. Duggan, Ross H. McMaster, H. G. Welsford, G. Montagu Black, James Young, F. B. Rentschler, C. W. Deeds, S. A. McClellan and J. F. McCarthy.

The Canadian company has been formed as there are a number of Pratt and Whitney wasps and hornet engines in use in Canada and the demand for these engines is increasing.

The Pratt and Whitney Aircraft Company of Hartford is now being affiliated with the United Aircraft and Transport Company, one of the largest organizations of its kind in the States. The Canadian aeroplane engine company will, of course, be affiliated with the parent organization in the United States.

Outlook Very Promising For London This Year

In an address delivered before the London Chamber of Commerce recently, W. H. Wood, manager, declared that the outlook for 1929 is very promising. Transportation developments, both in highways and railroad improvements, are under way, and the Metropolitan Stores have decided to make London their headquarters. This firm has taken over premises which they are enlarging. Tamblyn's are also opening in London. The Hotel London is planning the addition of a wing to their present structure and the management reports that a number of conventions for 1929 have already been booked.

McColl-Frontenac Has Enlarged Its Output

From Our Own Correspondent

MONTREAL.—Through the various affiliations in the associations of its management, the McColl-Frontenac Oil Company is steadily increasing the outlets for its product. A syndicate including John Irwin, president of McColl-Frontenac, has acquired control of the Crescent Taxis of Montreal. The change in ownership of that organization means that the gasoline and oil requirements of the Crescent Taxis will be filled in future by the McColl-Frontenac. The De Luxe Taxis of Montreal are also controlled by interests close to McColl-Frontenac, and that taxi company has been buying its oil and gas requirements from McColl-Frontenac for the past year.

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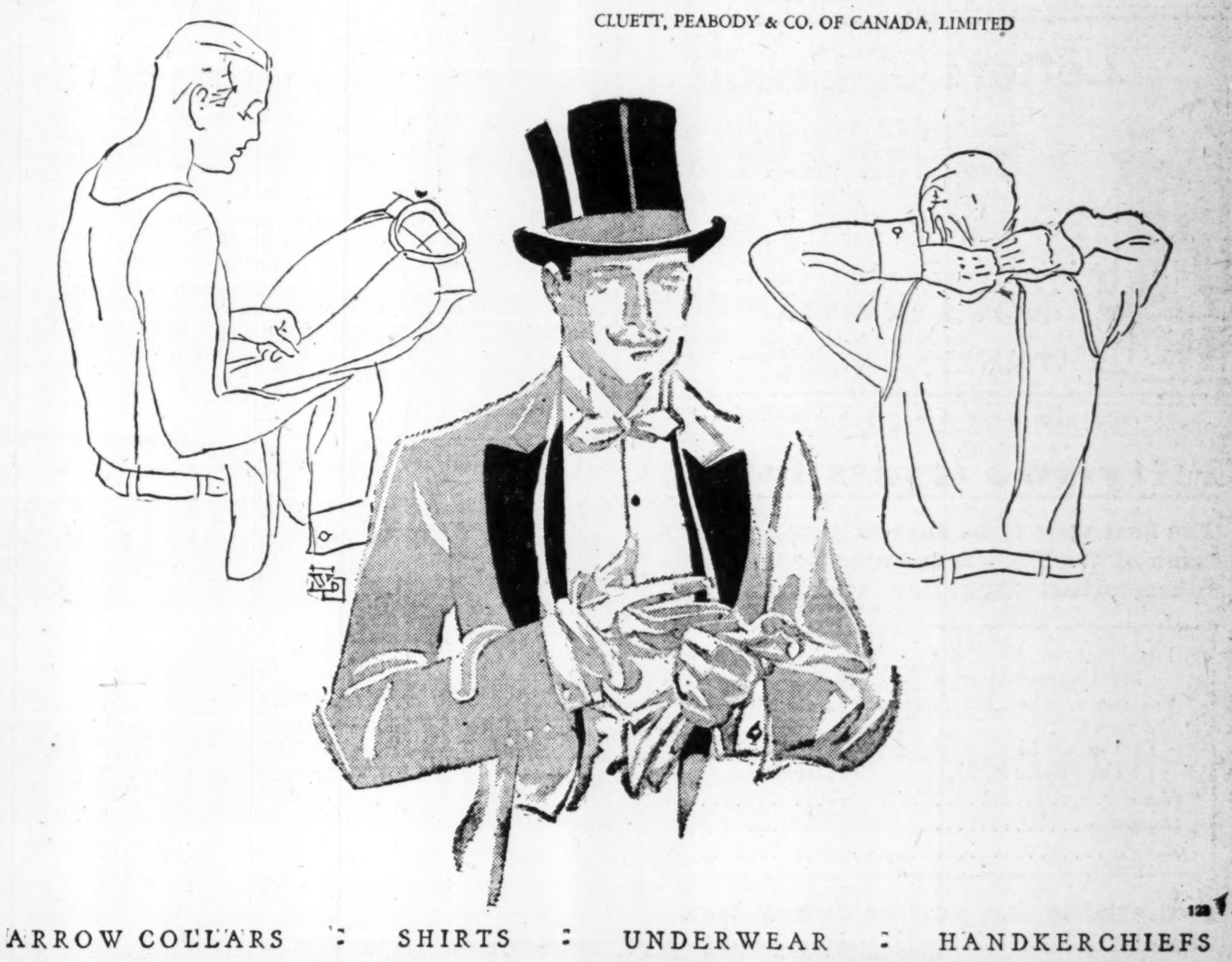

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Southern Canada Power Selling at High Level

From Our Own Correspondent

MONTREAL.—The new no par value common shares of the Southern Canada Power have made their bow on the Montreal Stock Exchange changing hands at a price which is equivalent to about $220 for the old stock. It seems likely that the new shares will pay $1 a year. On this basis, the stock seems to be selling rather high at its level of about $55.

The chief reason for the appreciation and for the high price of the shares lies in the steady increase in the earnings, both gross and net, over a term of years.

In December, 1923, the company earned a gross of only $99,196 and a net of $60,695. These figures compare with a gross in December, 1928, of $179,813 and a net of $118,821. It is significant that the net profits showed a larger proportional increase than the gross over the period.

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Public Utility Investments

TWIN CITY R.T. EARNINGS DROP $2 PER SHARE

Gross Revenue Is Down $400,000 Compared with Previous Year

INTEREST CHARGES UP

Twin City Rapid Transit Co. earned $2.83 on its common stock in the fiscal year ended December 31, 1928, compared with $4.83 in the previous term. The net income available for dividends on the preferred and common stock was $833,589 for 1928, compared with $1,272,600 in the previous year and an average of $1,164,768 in the previous ten years.

Twin City in 1928 paid only 2 per cent. on its common stock, compared with 4 per cent. in 1927, 5 per cent. in 1926 and 4 per cent. in 1927. The dividend policy for 1929 probably has not been determined, the directors probably deciding to wait until the results of the probable fare increase are apparent. Twin City regularly paid 6 per cent. prior to the war, but is one of those transportation companies which is yet to stage a recovery from the unsatisfactory earnings position of the utilities dating from the war and the increasing use of automobiles by individuals.

Interest Charges Higher

Gross revenue for 1928 was $13,005,353, compared with $13,425,643 for the previous year. The 1928 gross, however, was considerably in excess of the 1925 gross. The company in the latter year paid 4 per cent. on its common, although there was a debit balance of $52,573 carried forward as the result. In the following year the gross increased by nearly $1,500,000, which enabled the company to pay 5 per cent. on its common and to carry $152,805 forward in the profit and loss account.

Twin City interest charges were approximately $220,000 greater in 1928 than in previous years, or the equivalent of about $1 per share on the 220,000 shares of common of $100 par value. The reason for the increase in interest charges was that the greater part of the Twin City funded debt was refunded in December, 1927. The new bonds bear 5½ per cent. interest. The net funded debt is up about $3,000,000 since 1926, the additional funds being used to provide buses and other new equipment. Sinking fund of 2 per cent. of the 1927 issue becomes operative this year.

$324,000 Under Average

The net income available for dividends on the preferred and common stock in the last six years has been as follows:

1923	$1,099,067
1924	1,269,009
1925	1,037,427
1926	1,436,805
1927	1,272,601
1928	833,589
Six year average	$1,158,083

Thus the net profit available for dividends in 1928 was $324,494 less than the average for the eleven years beginning with 1918. In no year since 1921 until 1928 was the profit less than in 1928; in 1921 the net was $697,305.

Stock at 55

Twin City common stock was the subject of a spurt a week ago when it was first known that higher fares are a probability. The stock reached a high for this year of 55, compared with a low of 44. The high for 1928 was 55 and the low 31. The depression was at its worst when the quarterly dividend of 1 per cent. was omitted in September.

Profit and loss account for the last three years follows:

	1928 $	1927 $	1926 $
Gross rev.	13,005,353	13,425,643	13,945,266
Net af. tax	1,955,952	2,210,878	2,393,662
Other inc.	99,281	63,930	56,499
Total inc.	2,055,233	2,274,808	2,450,161
Int., etc.	1,221,644	1,002,208	1,013,356
Net income	833,589	1,272,600	1,436,801
Pfd. divs.	210,000	210,000	210,000
Com. divs.	440,000	880,000	1,100,000
Surplus	183,589	182,600	126,805

Newsprint Shares Still Unattractive?

From Our Own Correspondent

MONTREAL. — Newsprint stocks are still unattractive according to the Greenshields Weekly Review which says in part:

"We do not consider that clients are missing any very apparent opportunity in holding aloof from newsprint common stocks at present levels. Much as cooperation among producers may be desired, the industry cannot hope to overcome by a single act of price-fixing the evils engendered by a period of over-expansion. The policy of "wait and see," while it may mean paying somewhat higher prices, recommends itself in preference to the policy of hasty buying in hope of an easy solution of the industry's present difficulties."

SHOW FIRST SURPLUS FOR STREET RAILWAY

Edmonton Line Has One Profit in Twenty Years

For the first time since its inception in 1908, the street railway of Edmonton, owned by the city, showed a surplus. The 1928 balance for the street railway was $2,864. In 1927, the railway cost the people of Edmonton more than $31,000 in addition to the fares charged.

The five publicly-owned utilities of the city which include the electric light service, power plant, waterworks, telephone system and street railway, earned nearly $91,000 less than they earned in 1927, which was the high year. This year the figure was over $417,000. The surpluses of the utilities in order of size were as follows:

Service—	1927	1928	Increase
Power plant	$143,871	$182,915	$39,044
Electric light	119,578	123,915	4,337
Telephone	118,937	118,218	†719
Waterworks	65,690	78,053	12,363
Street railway (deficit in 1927)	31,017	2,864	33,881

† Decrease.

West Kootenay Power to Develop 80,000 H.P.

From Our Own Correspondent

MONTREAL.—The position of the bondholders of the West Kootenay Power and Light Company will be still further improved by the $5,000,000 investment which the company intends to make in an 80,000 horse power hydro plant on the Pend Oreille river. The power generated at the new plant will be sold to Consolidated "Smelters" and the industrial customers of the company in that area. The scheme has finally been submitted to the Minister of Lands in British Columbia.

Public Utility Earnings

Brazilian Traction

December—	1928 Dollars	1927 Dollars	Increase Dollars
Gross earn.	3,673,543	3,292,022	381,521
Oper. exp.	1,565,274	1,534,322	30,952
Net earn.	2,108,269	1,757,700	350,569
Aggre. gross †	42,774,813	38,319,989	4,454,824
Aggre. net †	24,869,330	22,054,622	2,814,708

† From Jan. 1st.

MONTREAL POWER ANNUAL REPORT IS REMARKABLE

Balance Sheet Reveals Noteworthy, Significant Betterments

From Our Own Correspondent

MONTREAL. — The 1928 annual report of Montreal Light, Heat and Power Consolidated reveals an increase of close to $1,000,000 in the revenues of the company from which were deducted increased taxes and depreciation. There was a substantial increase in the net and earnings per share amounted to $3.85 as against $3.37 in 1927, despite the larger number of shares outstanding.

The outstanding feature of the report is the increased strength of its balance sheet. Something of this betterment is revealed in the following three year comparison of income account and working capital figures which show the large increase in current assets and working capital, together with the more than $3,000,000 increase in the amount standing at the credit of capital and surplus account:

	1928 $	1927 $	1926 $
Gross rev.	21,235,991	20,314,902	18,907,382
Deduct:			
Oper. exp.	7,059,311	7,280,697	7,109,918
Taxes	1,258,101	1,186,708	1,213,038
Deprec.	2,123,599	2,031,490	1,890,738
Net rev.	10,794,978	9,816,006	8,693,688
Fixed chgs.	2,928,516	2,922,912	1,611,121
Net inc.	7,866,462	6,893,094	7,082,567
Divs.	4,354,650	3,915,422	5,135,041
Yr's surp.	3,511,812	2,977,672	1,947,526
Pen. fund	20,000	20,000	20,000
Cont. fund	465,997	†300,000	†58,043
*Balance	3,025,814	2,657,671	1,869,482
Earn. on stock	$3.85	$3.37	$3.47

* Transferred to capital and surplus.
† Insurance fund.

Working Capital Position

	1928 $	1927 $	1926 $
C. assets	24,444,274	19,065,948	13,184,961
C. liabs.	4,963,684	4,348,501	4,399,062
Work cap.	19,480,590	14,717,447	8,785,899

Investments Increase

Montreal Power's investment account is now carried at $16,778,000 as against $12,801,000 a year ago. The increase is possibly in part due to market appreciation and in part to the realization of profits obtained on sales of securities during the year.

In addition, the balance sheet shows that the company is taking advantage of the high call money rates and has call loans outstanding to the extent of $4,500,000 as against $2,000,000 a year ago. Against the increase in these two accounts, cash account now stands at $1,235,000, having been reduced only by $500,000 during the year.

In the liabilities, there are no significant changes except the large increase in the surplus and common stock account which is carried on the books at $66,485,000 as against $61,425,000 a year ago. Against this figure the company carries its $2,041,837 common shares.

Important Feature

Probably the most significant feature of the balance sheet is the company's securities which are carried at $78,553,518, as against $78,021,689 a year ago. The significant point about these figures is that they include the large annual depreciation write offs which during the last three years have totalled some $6,000,000.

Montreal Power is a holding company. While it writes off large depreciation sums annually, it can be taken for granted that virtually all its subsidiaries have pursued similar practices. While Montreal Power itself occupies what appears to be an impregnable financial position, its subsidiaries are probably also all occupying similar positions, with the exception of those which have not been in existence long enough to build themselves up into what may be regarded as virtually a perfect financial situation.

Bonds Were Redeemed

In addition to retiring during the year $231,000 of its own collateral trust bonds, $211,000 of the subsidiary companies' bonds were redeemed in 1928.

In his remarks to the shareholders, Sir Herbert S. Holt, the president, outlined the company's satisfactory development through the year and once again pointed out the inequalities which exist between the privately owned utilities of Quebec and the publicly owned utilities elsewhere. Publicly owned utilities are exempt from provincial and municipal taxation and are exempt entirely from income tax. Montreal Power pays out 15.9 per cent. of its net income in taxes; this sum works out to the equivalent of 71 cents per K.w.h. on the average for the company's sales for domestic lighting purposes. During the year Montreal Power again reduced its domestic lighting service rate from $3.50 to $3.25 per kilowatt hour.

Subsidiary's Operations

The annual report speaks hopefully of the operations of the Montreal Coke and Manufacturing Company in which Montreal Power owns a half interest. This subsidiary is supplying the parent company's mains with their entire gas requirements, and in addition, is producing a coke which has proved to be a very satisfactory domestic fuel.

Montreal Power also owns a substantial interest in the Montreal Island Power Company. The development work of this organization is progressing favorably and should be completed before the end of the year. The parent company has contracted for 65,000 horsepower from this source which, with its other resources, will keep Montreal supplied with electric power for many years to come.

The report concludes by making the point that Montreal Power's customers enjoy an unrivalled position throughout this continent for minimum rates of both gas and electricity and that despite the many advantages obtained through the use of electricity, the average monthly bill of the domestic consumer in Montreal amounts only to $1.71—a figure lower than the cost of a single daily ride in a street car.

WINNIPEG ELECTRIC RIGHTS WORTH $12

Proceeds Will be Invested in New Subsidiary Power Undertaking

From Our Own Correspondent

MONTREAL.—The new stock rights offered the shareholders of the Winnipeg Electric Company will have a market value of perhaps over $12 a share. The company has now outstanding 150,000 shares of no par value and the issuance of rights on a basis of one new share for every three outstanding will increase the capitalization to 200,000 common shares.

The rights will be offered to shareholders on record as at January 31 and the subscription price of $60 a share is payable in two installments of $30 each, the first being payable before March 1, and the second April 1.

The sale of the new shares to the stockholders will net the company $3,000,000. This sum will be used to permit the company to acquire about 80 per cent. of the stock of its new subsidiary, the Northwestern Power Company. The new subsidiary is carrying out development work on its Seven Sister Falls Power site.

From a similar investment made some years ago in the Manitoba Power Company, another subsidiary, Winnipeg Electric has increased very materially the equity applicable to its common stock. In 1922, Manitoba Power commenced the development at Great Falls and has now brought its plant up to its full capacity of 168,000 h.p. The current market quotations for Manitoba Power common is now about $100 per share, giving the parent company an equity in the undertaking and current market prices of nearly $9,000,000.

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A Year of Achievement

THE report for 1928 reveals gratifying increases and further establishes the North American Life Assurance Company as a leader in Life Insurance Service.

New business exceeded $32,000,000, bringing the amount in force to a new high total of over 180 millions.

Assets exceed liabilities by over $7,000,000. For every $100 of liabilities the Company now has $121 of assets.

The Company paid $3,385,743 during the year to policyholders and to beneficiaries under death claims—of which $879,354 was paid in dividends.

Notwithstanding a general tendency toward decreased interest rates the Company has maintained the very satisfactory rate of interest of 6.20%.

The Company's assets are of the highest grade and carefully diversfied, and its financial position is one of exceptional strength.

With its record of steady progress the Company can make a special appeal to intending insurers and to enterprising, intelligent men contemplating a future in the Life Insurance profession.

President: THOMAS BRADSHAW
General Manager: D. E. KILGOUR
Chairman of the Board: J. H. GUNDY

NORTH AMERICAN LIFE ASSURANCE COMPANY

ASSETS - $38,965,288 SURPLUS $7,066,304

Solid as the Continent

Head Office: TORONTO, CANADA

Agents in Every Important Centre of Canada

Apple Exports Heavier

Apple exports from Annapolis Valley points from the opening of the season to the middle of January amount to 412,685 barrels, 5,699 half barrels and 103 boxes, as compared with 372,373 barrels, 11,695 half barrels and 363 boxes during the same period of last year.

Larger Acreage Planted

Between the years 1920 and 1928 Manitoba, Saskatchewan and Alberta have increased their field crop acreage by nearly a million acres annually, having brought under production within that period 7,700,000 acres of new land, according to the Bureau of Statistics at Ottawa.

30 NEW INDUSTRIES

representing a capital of over $50,000,000, have, in recent years, located in the Eastern Townships of Quebec—where there is no labor problem, where taxes are low, where power is abundant and reliable, where shipping facilities are unexcelled.

Locations and sites to meet all requirements at nominal and reasonable prices.

Full information regarding labor costs, sites, etc., gladly sent on request.

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252 Notre Dame St. W., Montreal
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We have pleasure in announcing that

W. Boyd Caldwell, B.A., Sc.
MINING ENGINEER
is now associated with this firm

Mr. Caldwell has had fifteen years' association with Mining in Ontario and British Columbia

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103

Investment Suggestions for the

Month of February

Extraordinary financial conditions have created a market for Bonds and Preferred Stocks that institutions and experienced private investors are ready to take advantage of.

Our February offering list contains a carefully selected range of Government and Corporation Bonds including Canadian National Railways, Gatineau Powers, Canadian Vickers, General Steel Wares and Nova Scotia Cold Storage Terminals together with such Preferred Stocks as Canadian Hydro-Electric, Hamilton Bridge, etc.

Copies of list forwarded upon request.

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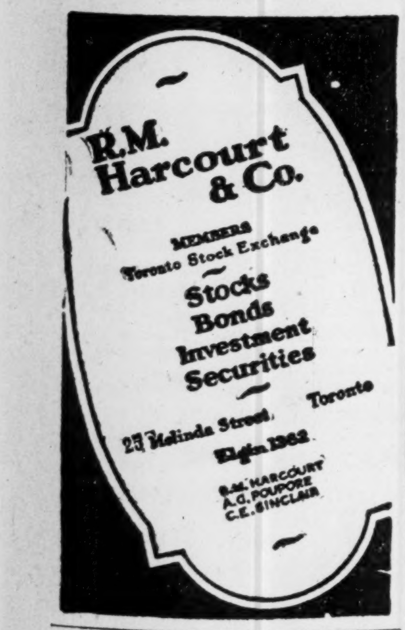

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News of Investment Markets

TERMINAL CORP. COMMON STOCK OFFERED AT $35

System's Assets Consist of Shares in Other Companies

Willison-Neely Corp. this week has offered 30,000 shares of the 300,000 shares of common stock of the Canadian Terminal System, Ltd., at $35 the share. The Canadian Terminal System is a holding company which has been organized to hold the common stock of various terminal warehouse companies, public utliity companies, grain elevators and steamship companies.

It is stated that the System owns the majority stock in Canadian Rail and Harbor Terminals, Toronto, Montreal Rail and Water Terminals and Collingwood Terminals. It also owns the controlling interest in the National Utilities Corp., which has secured franchises for gas-coking purposes in certain Western cities. A franchise recently was obtained for Fort William and it is said that others are being negotiated. It is stated that steamships are to be built to carry grain down the lakes to Collingwood, Meaford and Penetanguishene, and other commodities to and from the terminals at Toronto and Montreal. It is believed that the needs of the coking plants in Fort William and cities farther west will furnish return cargoes for these steamers.

In Development Stage

Grain elevators at Meaford and Penetanguishene are in development stages, as are the Western proposals to manufacture coke and gas. The Collingwood elevator is further along than the other propositions and the terminals at Toronto and Montreal have been operating for some time.

The Toronto terminal warehouse is understood to be earning its fixed charges with something to spare. Obligations of this terminal ranking ahead of the stock the majority of which is held by Canadian Terminal System are:

6½% First closed mort.	$3,500,000
7% General (closed) mortgage	2,000,000
7% Debenture stock	1,200,000
7% cumulative preferred stock	250,000
Total	$6,950,000
Annual charges	$ 459,000

Montreal Rail and Water Terminals was built a little later and it is understood that, for various reasons, it has not made as good progress, so far, as have the Toronto terminals, although the Montreal terminals are smaller. There was a rate war among Montreal warehouses which affected earnings but it is said that rates recently have been stabilized at a better figure.

Total funded debt of the Montreal company is $3,800,000 and the 7 per cent. preferred stock totals $600,000. The first mortgage bonds bear 6½ per cent. interest and the rest of the obligations ranking senior to the 200,000 shares of common stock bear 7 per cent. The total annual interest and preferred dividend charges are $279,500.

There are $800,000 of bonds issued against the Collingwood Terminals and bonds also will be issued in the financing of other projects. The Collingwood bonds are guaranteed by the county of Simcoe.

Details of the stock offering of Canadian Terminal System are summarized from the circular of the underwriting house:

30,000 Shares Common Stock
CANADIAN TERMINAL SYSTEM, LTD.

Capitalization:	Authorized	Issued
20-yr., 6% mtge. S. F. gold bonds	$5,000,000	$215,000
20-yr., 6% gold debs.	2,000,000	1,070,000
No par common stock	300,000 sh.	300,000 sh.

Business: Dominion company organized to control and operate public utilities and to buy and sell shares of utility companies.

Assets: Corporation stated to own voting trust certificates representing control of Can. Rail & Harbor Terminals, Toronto, and of Montreal Rail & Water Terminals, owns control of common stock of Collingwood Terminals and contemplates construction of grain elevators at Meaford and Penetanguishene, owns control of Nat. Utilities Corp. which operates utilities in a number of Manitoba communities and which plans expansion; company plans to build fleet of lake steamers. Voting trust certificates of these companies held by corporation are subject to mortgage and pledge to secure gold debentures mentioned in the foregoing.

Management: It is stated that the administration of the company is under the Hon. E. C. Drury, H. Addison Johnston and E. J. Wallwork, C.P.A.

Offer: Jan., 1929, by Willison-Neely Corp. at $35 per share.

CAN. INVESTORS, NEW CORPORATION SHARES OFFERED

Company Has Broad Powers to Deal in Securities

In accordance with the preliminary announcement a week ago, McLeod, Young, Weir & Co. announce the offering of 80,000 shares, of 400,000 authorized, in an investment company to be known as Canadian Investors Corp. The stock is of no-par value and the price is $26.50 per share.

Canadian Investors Corp. will have broad powers to buy and sell securities, participate in syndicates, etc. The management will be entirely in the hands of McLeod, Young, Weir & Co. and the directors, with one exception, are connected with that investment house.

Nets $25 per Share

The manager is paying all the preliminary and organization expenses and will derive no profit from the management until the profit of the corporation has exceeded 7 per cent. in any one year on the paid up capital and surplus. After 7 per cent. has been earned, the manager may take one-fifth of the profits, but in any event the manager's share shall not be a sum which will reduce the net profits to less than 7 per cent.

The corporation nets $25 per share for the sale of its stock so that it will begin operations with $2,000,000 cash. It is stated that no securities now owned by McLeod, Young, Weir & Co. will be taken over by the corporation. Bonds, debentures and other securities may be issued at the discretion of the directors.

Details of the issue follow:

80,000 shares
CANADIAN INVESTORS CORP.
(Ontario Company)

Capitalization:	Authorized	Issued
Capital stock, n.p.v.	400,000 shs.	†80,000 shs.

†May be increased if applications in excess of 80,000 shares are received.

Business: Corporation may buy, sell, trade in, pledge, and hold securities of any kind. May participate in underwritings, syndicates, etc.

Capital: All expenses met by management. shares net corporation $25.

Management: Contract with underwriter. Majority holders may terminate contract at end of any fiscal year if net assets become less than $25 per share. Otherwise, contract runs to December 31, 1939, and is automatically renewable each five years unless terminated by either party on six months' notice.

Directors: D. I. McLeod, Lt.-Col. J. Gordon Weir, M. J. Patton, M.A., W. E. Young, J. H. Ratcliffe, E. P. Taylor, B.Sc., W. Kaspar Fraser, K.C. All of the foregoing are directors of McLeod, Young, Weir & Co., excepting Mr. Patton and Mr. Fraser. Mr. Patton is a well-known economist and Mr. Fraser is of the law firm of Kaspar & Beatty.

Offer: January, 1929, by McLeod, Young, Weir & Co., at $26.50 per share.

Bond Notices

BOND REDEMPTIONS

	Rate	Due	Redeem.	Price
Lake Superior Paper	6%	1941	Mar. 1	105
Span. Power	6%	1929	Mar. 1	102
Quebec Power	6%	1953	Apr. 1	107½
Stock—				
Robt. Mitchell, 1st pref.	7%	....	Mar. 11	107½
Building Prod.	7%	Pref.	Apr. 1	105

* In part.

SASKATOON CITY SHOWS EXCELLENT TAX CONDITIONS

City Commissioner's Report Says 1928 Excellent Year

An increase of over $2,540,000 in building permits issued, an increase of nearly four per cent. in the proportion of the tax levy collected, a complete payment of bank loan on current account and the creation of a depreciation reserve by the city of Saskatoon are the high-lights in the recently-issued City Commissioner's report for 1928.

In 1927, the percentage of taxes collected was 76.29 while this year the amount was 80.15 per cent. of the levy. Including arrears, current taxes and revenue from tax sales, the amount reached a total of $1,688,000. This figure was 120 per cent. of the year's levy, which latter amounted to about $1,400,000.

Outstanding taxes are reduced to a net figure of $628,000 through the establishment of a fund of $597,000 as a reserve against uncollectable levies. The bank loan on current account has been paid off and it is not expected that the city will have to borrow on this account for some months.

The city's sinking fund is reported to be in excellent shape. The amount of the fund is over $3,500,000 with a cash surplus of $200,000. The greater part of the invested funds are placed in straight Provincial Government bonds. The report mentions that a large portion of these was purchased during the high-interest-rate periods and the yield is consequently more than the four per cent. needed for the amortization purposes. Neither principal or interest have anything owing as arrears.

The city is also paying into an additional sinking fund in the shape of a depreciation reserve for the different public utilities and services which now amounts to over $400,000, of which $175,000 is invested in straight Provincial government bonds, with surplus cash amounting to $40,000.

In spite of all this, the tax rate is being continually reduced. Since the high rate of 22.75 mills in 1921, the toll has dropped to 16.5 mills. The report does not mention the school-rates.

In the report, most of the comparisons are made between 1928 and years as far back as 1921, so that the improvements noted can be of as wide a comparison as possible. The report concludes with an explanation of part of the increase. In 1921, the building assessment totalled $6,996,000 with land assessment at $23,867,000. The estimated building assessment for 1929 is given as $16,295,000 and land assessment is set at $20,629,000. The commissioner points out that this change in incidence is undoubtedly responsible for the improvement of the tax-collection in the last four years.

UNITED DAIRIES OFFERS STOCK TO INVESTORS

Western Company Is Merger of Four, Owning 30 Creameries

United Dairies, Ltd., is the name of a new company formed to consolidate the businesses of Union Milk Co., Central Creameries and Crystal Dairy, operating in Alberta and British Columbia. Carlile & Farr, Ltd., Calgary, is offering $750,000 of 6½ per cent. first preference shares with bonus of common stock:

Details of the offering follow:

$750,000
UNITED DAIRIES, LTD.
6½ Per Cent. Cumulative Sinking Fund Preference Shares

Capitalization:	Authorized	Issued
6½% 1st pref. ($100 par).	$1,000,000	$750,000
6% cumulative 2nd pref.	400,000	400,000
No-par common	50,000 sh.	50,000 sh.

Business: Constituent companies have been in operation under those names for ten years. Consolidation is expected to effect economies of administration and to enable company more easily to dispose of surplus butter in British Columbia. There are 30 creameries in all, including plants at Vancouver, Calgary, Lethbridge and Medicine Hat.

Assets: Total assets are shown at $2,401,697. Properties appraised at $1,066,157. Net assets are $1,818,687, or $245 for each share of first preferred.

Earnings: Certified by chartered accountant as having been not less than twice first preference dividend requirements in any year in last eight years.

Management: Continues under J. W. and T. M. Carlyle.

Purpose of Issue: To provide $100,000 additional working capital, $150,000 for construction of new buildings, etc., and for acquisition of all the outstanding stock of constituent companies.

First Preferred Provisions: Dividends of 6½ per cent. cumulative from January 1, 1929. Payable semi-annually at par at Bank of Montreal. Callable at 105 to Jan. 1, 1934, at 104 to Jan. 1, 1939 and at 103 thereafter. No prior obligations, except under Bank Act, or with consent of two-thirds of shares represented at meeting. Sinking fund of $15,000 annually.

Offer: Jan., 1929, by syndicate including O. C. Arnott Co., Carlile & Farr, Calgary, and $100 per share and accrued dividend plus one share of common stock as a bonus with each share of preferred.

NEW DRYDEN BONDS YIELD 6 PER CENT.

Twenty-Year Issue Offered Publicly at Par—Produces 85 Tons Daily

From Our Own Correspondent

MONTREAL.—The new financing of the Dryden Paper Company made its appearance this week in the form of a $1,500,000 bond issue. The company's markets are largely situated in Western Canada where, due to the improving business situation, there has been an increasing demand for kraft and building papers. Dryden is more favorably located to serve this territory than any other manufacturer. There is also a demand for the company's sulphate pulp production in Wisconsin and Minnesota. Dryden also has a five year contract with the Bates Valve Bag Company which has installed equipment in the Dryden plant for making cement bags.

The particulars of the issue follow:

$1,500,000
DRYDEN PAPER COMPANY, LIMITED
6 Per Cent., 20 Year, First Mortgage, Sinking Fund Bonds

Dated: February 1, 1929; maturing February 1, 1949.

Capitaliation:	Authorized	Issued
6% First mtge. bonds	$2,000,000	$1,500,000
Common stock, n.p.v.	150,000 shs.	150,000 shs.

The Company: The plant is located about 200 miles east of Winnipeg and has an annual capacity of 25,000 tons of sulphate pulp; about 15,000 tons are at present being turned into finished products. The company owns hydro electric power sites with a potential capacity of 7,000 horsepower of which 5,500 h.p. is in operation. The timber limits are estimated to contain 2,000,000 cords. This is equivalent to about 50 years supply.

Earnings: Have been steadily increasing and in 1928 before depreciation were $324,169 as against annual interest requirements of $90,000.

Assets: Balance sheet shows assets of $7,699,080, equivalent to $5,132 for every $1,000 first mortgage bond.

Security: A first mortgage on the entire assets.

Sinking Fund: Commence February 1, 1932. Will retire two-thirds of the issue by maturity.

Proceeds of Issue: Will be used to redeem senior obligations now outstanding and to reimburse the company for addition to its plant.

Offered: January, 1929, by Nesbitt, Thomson and Company at par to yield 6 per cent.

Tenders and By-laws

Feb. 6.—Corp. of St. Anicet, P.Q.—$4,000 5 per cent., 24-year bonds. D. Crevier, sec.-treas.

Feb. 15.—Mun. of St. Antoine de Padoue, P.Q.—$12,000, 5 per cent., 15-year serial bonds. Benjamin Archambault, sec.-treas.

Feb. 9.—Village of Wakefield, P.Q.—$3,000, 5 per cent. 10-year debentures. F. A. Labelle, N.P.

Feb. 2.—Village of Creemore.—$26,000, 5 per cent., 15-instal. debentures. J. M. Hood, clerk. (See announcement on page 16).

Feb. 15.—Aurora.—$22,233, 4½ and 5 per cent., 30 and 15-year debentures. M. L. Andrews, clerk. (See announcement on page 16).

Quebec's Surplus Nearly Touches $2,000,000 Mark

Hon. Jacob Nicol, provincial treasurer of Quebec, reports a surplus for the year to June 30, 1928 of $1,986,558.

The actual ordinary revenue was more than the estimates by $8,785,936, and the estimates of the ordinary and extraordinary expenditure were exceeded by $7,050,045.

Revenue was $26,021,847 and expenditure $32,821,226.

Funded debt was $80,731,877 and net debt $58,827,532.

Mr. Nicol estimates a surplus of $1,214,319 for the current year.

British Columbia Reports Large Surplus for 1928

Public accounts of British Columbia for the year to March 31, 1928 reveal ordinary revenue of $20,939,123 and ordinary expenditure of $18,690,007, a surplus of $2,249,116 for the year.

Revenue exceeded estimates by $1,800,000 while expenditures exceeded estimates by $2,300,000.

$1,000.00 Municipal Bonds
To yield 5.10%

We have available for special sale some $1,000.00 bonds of about fifteen different municipalities in Ontario and elsewhere in Canada.

Every Municipality shows an excellent financial statement. Every bond is highly secured, is payable out of taxes, is readily resaleable, and all are legal for investment of trust funds. Interest return 5.10%.

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297 Bay Street, Toronto

WEEKLY RECORD OF FINANCING IN CANADA

SALES BY MUNICIPALITIES, PROVINCES AND DOMINION GOVERNMENTS

Place	Date Sold	Municipal —Sold To—	Rate	Maturity	Amount	Price	Cost Basis
Scarborough Twp.	Jan.	Wood, Gundy & Co.	5%	30-ins.	$600,000	97.26	5.24

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

	Date Issued	Offered by	Rate	Due	Amount	Price	Yield
Bond Issues—							
Dryden Paper Co.	Jan.	Nesbitt, Thomson & Co.	6%	1949	$1,500,000	100	6%
Stock Issues—							
Agnew Surpass Shoe Stores	Jan.	Greenshields & Co., R. A. Daly & Co., Bankers Bond Co.	...	Com.	10,000 shs.	$18	...
Penelope Candy Shops	Jan.	Walter T. Smith & Co. (With bonus of two shares of no-par common).	7%	Pref.	$250,000	$32	...
Canada Dairies	Jan.	Bonds & Investments (With bonus of one share of common with each two preferred).	...	Pref.	$100,000	100	...
Can. Investors Corp.	Jan.	MacLeod, Young, Weir & Co.	....	....	80,000 shs.	$26.50	...

UNITED GAS AND FUEL COMPANY OF HAMILTON, LIMITED
First Mortgage 5½% Sinking Fund Twenty-Year Bonds
Dated July 1, 1928 Due July 1, 1948
Price: 99½ and accrued interest to yield 5.53%
MATTHEWS & COMPANY
LIMITED
Investment Bankers
255 Bay Street Elgin 5192 Toronto 2

Whether to buy Bonds

Higher time and call money rates proved so attractive during the latter half of 1928 that a substantial volume of bank and corporate funds —previously invested in long-term securities— naturally found its way into the call loan market. This depressed bond prices.

But it is fairly certain that these funds will remain in the call money market only for so long as the rates are attractive. In the long run it may be expected that bonds will regain, with the great body of investors, the preferred position which they have held in the past. The bond market is already feeling the stimulus of renewed institutional and private buying. Ultimately this must result in price appreciation.

The investor who seeks attractive long-term investment may be confident that the present bond market is considerably in his favour.

Our current list of recommendations will be supplied on request

The National City Company
Limited
Securities for Sound Investment
Head Office—St. James and St. Peter Streets—Montreal
10 King Street East TORONTO
204 Blackburn Building OTTAWA
71 St. Peter Street QUEBEC
380

New Issue

80,000 Shares
Canadian Investors Corporation, Limited
NO-PAR VALUE CAPITAL STOCK

Transfer Agent: National Trust Company, Limited
Registrar: The Royal Trust Company

CAPITALIZATION

	Authorized	To be Issued
Capital Stock, no-par value	400,000 Shares	80,000 Shares*

*In the event of subscriptions being received in excess of this amount, the right is reserved to issue all or part of the remaining authorized shares to net the Corporation $25 a share and to be sold to investors at $26.50 a share.

BOARD OF DIRECTORS

The board of directors is, with one exception, composed entirely of executives of McLeod, Young, Weir & Co., Limited, and consists of—

D. I. McLEOD,
Director, McLeod, Young, Weir & Co., Limited,
Canada Paving & Supply Co., Limited,
Canadian Dredge & Dock Co., Limited,
P. T. Legare Co., Limited,
A. J. Freiman, Limited,
The Robert Mitchell Co., Limited.

LT.-COL. J. GORDON WEIR, D.S.O., M.C.,
Director, McLeod, Young, Weir & Co., Limited,
Photo Engravers & Electrotypers, Limited,
Stanford's, Limited.

M. J. PATTON, M.A.,
Financial Economist, McLeod, Young, Weir & Co., Limited,
Formerly, *Tariff Adviser* to the Minister of Finance, Canada, and prior to that
Economic Adviser, Commission of Conservation, Canada, and
Economic Adviser, Natural Resources Intelligence Service, Canada.

W. E. YOUNG,
Director, McLeod, Young, Weir & Co., Limited,
British Northwestern Fire Insurance Co.,
Canada Vinegars, Limited,
Gosse Packing Co., Limited.

J. H. RATCLIFFE,
Director, McLeod, Young, Weir & Co., Limited,
Hayes Wheels & Forgings, Limited,
Vice-President, Humberstone Shoe Co., Limited,
Director, Hunt's Limited,
Photo Engravers & Electrotypers, Limited,
Seaman Kent Co., Limited.

E. P. TAYLOR, B.Sc.,
Director, McLeod, Young, Weir & Co., Limited.

W. KASPAR FRASER, K.C.,
of Fraser & Beatty, Barristers-at-Law.

Organization: Canadian Investors Corporation, Limited, has been formed under the laws of the Province of Ontario as an investment corporation of the management type with broad powers to buy, sell, trade in, pledge and hold securities of any kind, to invest money at interest, to participate in enterprises, syndicates and underwritings, to engage in activities kindred and subservient thereto, and to exercise such other of its charter powers as its board of directors may from time to time determine. It is designed to obtain for the holders of its securities the benefits of experienced investment management and constant supervision of their funds, and to afford participation in a diversification of selected securities and in underwritings.

Initial Capital: The corporation will commence business with at least $2,000,000 in cash, representing the proceeds of the sale of 80,000 shares of its capital stock to McLeod, Young, Weir & Co., Limited, at $25 per share. Of these 80,000 shares, 4,000 shares are being purchased for $100,000 cash by McLeod, Young, Weir & Co., Limited, for its own account. As McLeod, Young, Weir & Co., Limited, will pay all expenses in connection with incorporation and organization, and the issue and distribution of this stock, the above sum of $2,000,000 will be net to the corporation.

Management: The corporation has entered into a management contract with McLeod, Young, Weir & Co., Limited, as manager, whereby the manager will receive no compensation unless the corporation's net profits in any year exceed 7% of the issued capital and surplus. In that event the manager is entitled to receive up to 20% of the entire net profits, but in no case shall the compensation received by the manager reduce the net profits to an amount less than 7% of the issued capital and surplus. The requirement for the annual earning of the net profits of 7% shall be cumulative; that is, should the said 7% be not earned in any year, the deficiency is, for the purpose of determining the compensation of the manager, to be deducted in computing the net profits of succeeding years.

Operating Provisions: The charter or the management contract contain provisions to the following effect:

1. The board of directors is empowered to set up reasonable reserves.
2. All financial transactions shall during the currency of the management contract be carried out through the manager unless the manager elects otherwise.
3. Provision is made for continuity in the management of the corporation through the qualifications required for directors.
4. The corporation may issue additional authorized shares from time to time for such consideration as may be fixed by the board of directors, provided that the corporation shall receive not less than $25 per share in money or other consideration as defined.
5. The management contract may be terminated by a vote of the holders of a majority of the outstanding stock should the fair value of the net assets at the end of any fiscal year be less than $25 for each share outstanding. Unless terminated under provisions made in that behalf, the contract shall continue until December 31st, 1939, and automatically thereafter for five-year periods unless terminated by either party giving six months' written notice to that effect.

The corporation may issue bonds, debentures or other securities in the discretion of the board of directors.

It is contemplated that the manager will deal freely with the corporation, but in any transaction between them McLeod, Young, Weir & Co., Limited, will accept the responsibility of the fairness of the transaction.

The corporation will not take over any securities now owned by McLeod, Young, Weir & Co., Limited.

The auditors of the corporation will be Messrs. Price, Waterhouse & Co., and its counsel, Messrs. Fraser & Beatty.

The foregoing is subject to the more complete statements contained in the charter and the management contract, copies of which may be obtained from the undersigned upon request.

Price: $26.50 Per Share

Application will be made in due course to list this stock on either the listed or the unlisted section of a recognized stock exchange.

This stock is offered subject to allotment or prior sale and in all respects when, as and if issued and accepted by us subject to approval of counsel. The right is reserved to reject any and all subscriptions in whole or in part, to allot less than the amount applied for, and to close the subscription books at any time without notice.

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TORONTO, FEBRUARY 1, 1929

MAKING IT THE GOAT

PARLIAMENT is apparently going to have another free-for-all discussion on the grain business. This has happened so often that one can hardly expect that any new and constructive ideas will be contributed by those who, for political reasons, are always ready to rise in the defence of imagined or trumped up grievances. Signs are that the grain grading system will be under fire. On the one hand spokesmen for the western farmers will argue that their grain is being graded too strictly. Probably a few members will read letters from Liverpool millers who claim that the grades of grain they are getting are like the old grey mare which "ain't what she useter be." It is possible to forecast the lines the discussion will take because the ground has been covered so thoroughly in the past, in parliamentary discussions, royal commissions, etc.

It would be exceedingly unfortunate if the impression were to get abroad that Canada's grain grading system has disintegrated. Our grain grading system may not be perfect but as a matter of fact it has been the most successful grain grading system employed anywhere. No system could be devised by human ingenuity that would satisfy even half the farmers year in and year out and at the same time command the respect of buyers abroad.

A large western grain house that in 1914 found itself in a position of not being able to deliver a cargo of American grain to a large Italian miller cabled offering to substitute No. 2 Manitoba hard—a better grain than the cargo contracted for. The answering cable was a refusal to accept the grain. The miller did not know what No. 2 Manitoba hard was. To-day the same miller is buying No. 2 Manitoba hard of the 1929 crop which has not even been seeded yet and he does not question that the grain, when delivered, will be exactly what he has visualized when he places the order. Such a reputation is an asset to cherish; one we should not lose by political tampering with the grades.

One may ask, why is it then that the Liverpool corn exchange is objecting to the quality of Canadian grain received in recent years? English millers are keen buyers and they do a great deal of horse trading. It is probably quite true that the milling values of the 1926 and 1927 crop were less than normal. This was due to heavy rains that increased the moisture content and reduced the protein value of the wheat grown in these years. No human agency has power to control weather conditions. If that were possible there would, for instance, have been no $100,000,000 frosts in the past season. The grain that went across from the 1926 and 1927 crops was not as good value for the money as the grain that is going across from the 1928 crop. But there was no lying about it. The grain was honestly and well graded and the Liverpool buyer who bought a number 3 wheat got a number 3 wheat. Some years he has gotten better number 3 wheat because there is necessarily quite a spread between the best number 3 and the poorest. On the average though, he gets what he buys—sometimes more than what he pays for. The number 4 and number 5 wheats of the current crop for instance are exceptionally high in milling values but we do not hear of the Liverpool buyer sending memorials to the prime minister to that effect. The clause that provides that wheat going out of a private elevator must be up to the average of the grade assigned to it protects the foreign buyer but not at the expense of the farmer. A farmer will send a carload of wheat which is graded, say number 3 because it is just good enough to get in that grade. He gets the number 3 price. But when it is shipped out it will be graded number 4 because while it is within the number 3 grade it is not up to the average of all number 3 wheats. When this happens the elevator owner loses.

It is possible that improvements can be made in the grain grading system but these improvements can not be effected by scrapping the system, by substituting for it something new and revolutionary or by putting it into politics, which seems to be the basis of the current suggestion that the board of grain commissioners should be put under the Department of Agriculture rather than under the Department of Trade and Commerce where it now is.

One can trace the attacks on the grain grading system back to very simple factors. The farmer, due to two years of rain and one year of bad frosts, due to carelessness with seed and due to the spread of pests and obnoxious weeds, is not making on wheat the margin of profit to which he is entitled. He wants to blame somebody or something. In the old days he used to blame his troubles on the grain trade. Now that he has the wheat pool and it has failed to eradicate these troubles he has turned his attention—or has had it turned by the politicians—to the grading system. The opposition of the English miller to our grain grading lies, we believe, largely in his desire to do some shrewd horse trading in an effort to buy Canadian wheat below its real value.

PAPER PUZZLES

THOUSANDS of investors are wondering whether or not the newsprint stocks are a purchase. This week in its financial review, an investment house says that while it may mean paying somewhat higher prices, a "wait-and-see" policy recommends itself in preference to the policy of hasty buying in the hope of an easy solution of the industry's present difficulties. These words appear to sum up completely and succinctly the thoughts of many of those who have a knowledge of the investment possibilities of the newsprint industry.

If by waiting say six months or a year, an investor finds he has lost five or ten points on his favorite newsprint stock, the lost opportunity need hardly be regretted. A five or ten point appreciation means little or nothing in an industry which has the ultimate potentialities of the newsprint industry.

No other country, in a position to fill the U. S. demands for newsprint, has the forest resources to meet the requirements of the publishing trade across the border. But just how long it will be before the demand begins to catch up to the over extended capacities of the mills, none can foretell. It may be only a matter of months, or it may be years. If, as, and when the demand catches up with the potential supply, all the newsprint companies will be in a remarkable position to make progress, more especially as in Eastern Canada the forests are not such as to permit very much more large scale expansion.

The newsprint situation must be viewed by the investor in exactly the same light as any other speculative situation. Newsprint commitments should be included in a diversified list, and regarded solely as a long hold. While appreciation is undoubtedly possible within the next year, it is also possible that the securities may continue to languish marketwise. Moreover, a speculation in the newsprint industry obviously precludes the possibility of more successful speculation in other directions.

That is the situation, so far as it can well be judged. It should not prevent any investor from buying newsprint stocks for the long pull if he wishes to do so.

THE BELL'S CASE

THE series of advertisements in which the Bell Telephone Company of Canada has explained its financial and public relations policies have been most convincing and have apparently gotten for the company a very widespread understanding of their position.

The company has conclusively demonstrated a number of points of which the most important may be summarized as follows:

1. That the company's rates are low and yield only a moderate return on the invested capital.

2. That the company's relationship with the Northern Electric Company is such as best to serve the interests of the company's subscribers as well as its shareholders.

3. That the company's relationship with the American telephone system is also such as to improve the service and reduce the cost of telephone operation in Canada.

The company seems to have gotten these points across and newspapers that were a year ago making much capital out of the Northern Electric, about the A. T. and T. relationship and about the bogey of high rates have recently had very little to say on these subjects. Rather they have concentrated on the one point of the so-called "melon," which in their opinion the company purposes to grant to its shareholders. It was a little unfair for papers like The Toronto Star and the Toronto Telegram and some politicians like G. R. Geary, K.C., M.P., and T. L. Church, K.C., M.P., to discuss this question at all until the company had stated its case. The statement of the Bell Telephone Company's financial policy has only now been issued and by pre-judging it the newspapers and politicians opposed to the company have shown that they are less interested in being fair than in being smart.

In dealing with its financial policy the company is required to do a very difficult thing; to discuss a somewhat involved, intangible matter in language that will be interesting and understandable to the general public.

After all, it is a matter of opinion whether or not the company should be required by law to offer its shares on one basis or another. But the opinion of the company is backed by the long experience with money markets and the raising of many millions of dollars and new capital. It is backed by the approval of practically every well informed financial man. The opinion of the members of Parliament, who have scented something sinister in the company's policy, is hardly backed by the same experience and, since the chief spokesmen of the parliamentary opposition to the company have seen fit to make up their minds before discovering the company's argument, then we may fairly assume that their opinion has been formed for political and selfish reasons rather than because of any desire to arrive at the truth.

It is hardly necessary to summarize the company's declared financial policy since the advertisement outlining it has been rather widely published in the territory served by the company and in such national newspapers as The Financial Post. We feel that the company has demonstrated to the satisfaction of reasonable minded people that they have conducted their financial and stock selling operations in a sense of trusteeship. The company has clearly indicated that it appreciates that it must continue to be fair to its subscribers and the public if it is to maintain its position.

Some months ago The Financial Post pointed out that if the public utilities of Canada were to be restricted in their methods of raising new capital and were not permitted to offer any real attractions to investors they would not be able to raise money. Rather Canadian investors would search out American and other foreign securities for themselves. This would tend to take money out of Canada for the building up of foreign public utilities. We are glad to see that the Bell Telephone Company has emphasized this point in its statement of financial policy. In fact it may be that this is, after all, the most important answer to the opposition of certain people to the sale of new shares at below market value, a market-value which, it must always be remembered, is partially based upon the expectation of rights to subscribe for new stock.

DIVERSIFIED INCOME

IF ANY proof were needed of the sound basis of Canadian prosperity we have it in the fact that this country is doing exceedingly well despite a tendency to "profitless prosperity" in two of our chief revenue sources. Wheat produced a big gross income for the 1928 crop but the net profit to the farmer was low because of low prices and poor grades. Pulp and paper, our biggest single industry, is enjoying the highest production on record but prices of the chief finished products are too low to compensate investors adequately for the money they have put into the mills. Yet despite these two facts the purchasing power of the country is at the highest level in history. Which would seem to argue that we have achieved substantial diversification in our income sources.

NEW ECONOMIC REVIEW

UNIVERSITY of Toronto has commenced the publication of a series of studies in Canadian economic history. Volume 1, just issued takes much the same form as the usual periodical economic review but apparently it is not intended yet to make the review appear at any definite intervals.

A rather interesting paper in this volume is the introduction to an unfinished work on the economic history of Canada, written by the late Prof. James Mavor and not hitherto published. Professors Kemp, Jackson and Bladen contribute useful and somewhat technical economic papers. Professor Innis has prepared a bibliography of Canadian economic publications of the past two years. It is not claimed that this is complete and indeed many of the most valuable studies made during the period have been left out.

University of Toronto has not in the past borne its proper share of the burden of publishing Canadian economic studies and the present series is evidence of an awakened interest at the school in this type of work. The publication deserves recognition as inaugurating what may develop into a very valuable record.

BUSINESS AND HONESTY

IF TO-DAY, as is claimed by Owen D. Young, the great American industrial leader, the moral standards of business are higher than they were thirty years ago, the change is due as much to the rise of big business as to any other factor. To the socialist and to the pinker antagonists of big business, this statement will prove utterly unintelligible. Yet we agree absolutely with Mr. Young in his statement that big business does not lend itself readily to dishonesty and crookedness. It is easy for the man in business by himself to be sharp in his business methods and to get away with it for a long time. But the big business organization must organize on a basis of honesty and square-dealing. It must defend itself from adverse public opinion, from crank legislation, even from weakening of its internal fibres of personnel and management.

The bigger the business the bigger the need for strict morality in management and operation. Fortunately, the bigger the man, the more keen is his distinction between right and wrong. Big men are usually men of high standards, strictly adhered to.

EDITORIAL NOTES

JUDGING by prosperity in the Maritimes we would assume they are "ex-Rights."

* * *

THE FIRST robin of the season has been sighted. And to-day we spotted a tourist with golf knickers.

* * *

IT SHOULD not be hard to bring farmers and manufacturers together. Both are interested in plant growth.

* * *

"RICH ORE FINDS in Canada" is the headline of a Wall Street newspaper's article on the Buchans property in Newfoundland.

* * *

ARTHUR W. CUTTEN is said to be accumulating C.P.R. But it would be more to the point if more Canadians who stayed in Canada would buy C.P.R.

POST-scripts

ALTHOUGH a lot of diamond drilling has been done in Northern Ontario no diamonds have yet been found up there. We point this out lest there be a few people who have become confused in the manner of the estimable editor of an American publication which essays to advise its readers on adventurous jobs awaiting to be done in different parts of the world.

"What are the chances of getting a job diamond drilling in Mexico?" one subscriber inquired.

The editor answered: "Not very good; no diamonds have been found in Mexico."

WE DO not know whose job it is to list government telephones in telephone books but we have a grievance against certain of the folks who do it. In Ottawa recently we tried to find a certain government department on the telephone and had to call five different numbers (at 10 cents a number) before we got the right party.

Just now we are trying to get a certain Ontario government official on the line. We have looked under Ontario government, under legislative buildings, under Province of Ontario and under Department of Mines, and have not found the number we want. We are going to have one last look under Parliament Buildings and if the number is not there our readers are not going to get the story that is awaiting us at the other end of the line.

Fables in Finance

The Fable of the Woman Who Was Too Logical

By JOHN DUKE

The Young Woman Who Did Not Know Any Better Than to Speculate looked at the cheque her broker wrote out. "And did I make this $1,000 out of my 10 shares of Nickel?" she asked.

"Yes," said the broker who was accustomed to answering foolish questions.

"Is it your Money?" asked the Young Woman.

"No, it isn't my Money. It's yours."

"Yes, I know it's mine. But whose Money was it before it was mine? I have $1,000 more than I had before. Hasn't somebody got a $1,000 loss?" My but she was persistent.

"Look here, I'll explain it to you," said the Broker, trying to be patient. "That money sort of came out of the Ground. They found a few billion dollars worth of rich metal ores up there in Sudbury and this is your share. It's just as though you found a purse on the street and no one claimed it, so it was yours."

The Young Woman understood it now. "So my Money came out of the Ground?" she asked.

The Broker was relieved. She had hit on what he had himself tried to say. "Yes, that's it."

The Young Woman took her Money and in the natural course of events she bought more mining stock with it. When her Broker told her it was all gone she wanted to know who had it.

"No one has it."

"Well, then where is it?" asked the Young Woman.

"Well, you invested it in a Mine. They spent the Money at the Mine and didn't get anything. So it's gone."

An inspiration struck him. "Your Money's gone back into the Ground."

"How perfectly silly" exclaimed the Young Woman. "First you take it out of the Ground and then you put it back in again. Why don't you go up there again and get it out and give it to me?"

The Broker went into the Shoe Repair Business as a last resort.

MORAL—A hole in the ground makes a hole in the pocket-book.

Other People's Views

Changed Attitude in Coal

Mail and Empire, Toronto: The change in the attitude of Canadian consumers towerd the fuel question, as indicated by the change in the nature of their purchases of fuel and their approval of the effort to procure coal for central Canada from Alberta and the Maritime Provinces, is attributable mainly to the repeated strikes in the Pennsylvania coal fields that interrupted the flow of supplies of anthracite to the Canadian market and caused periodic increases in the price of that commodity. Conditions created by those strikes forced Canadians to attempt to heat their homes with fuels other than anthracite and taught them that, after all, anthracite was not an absolute necessity for their comfort in winter. To-day, residents of Ontario and Quebec have improved their position to the extent that Dr. Camsell can declare "we need no longer dread the prospect of a strike in the Pennsylvania coal fields."

Col. Jones Again Heads Pulp, Paper Association

Colonel Charles Hugh Le Pailleur Jones has been re-elected president of the Canadian Pulp and Paper Association for 1929. He has had a wide experience in the pulp and paper industry and is now the executive head of the new Mersey Paper Company, which is engaged in erecting a newsprint mill in Nova Scotia.

After graduating from McGill University, Col. Jones was employed by the Canadian Pacific Railway for six years, and then for ten years he was with the Lake Superior Corporation, the last three years as assistant general manager. In 1911 he became vice president of the Spanish River Pulp and Paper, Fort William, and Lake Superior Paper companies.

When living in the Soo, Col. Jones took an active part in the community life of that city and acted as president of the Soo Board of Trade for two years. He will be 53 years of age on May 1 next. He is only the second president of the association to remain in office for a term longer than one year.

His military title was earned in France. He was officer commanding the Soo regiment, and he served in Canada, England and France. He raised the 227th regiment, C.E.F., and went to England in command. He commanded the central group, C.F.C., in France, was mentioned in dispatches and was awarded the O.B.E.

Maritime Superintendent

W. V. GORDON,
recently appointed superintendent of branches, Maritime Provinces and Newfoundland, of The Canadian Bank of Commerce.

Stop Me If You've Heard This One

An insurance company wrote out a $1,000 life policy in the name of one Samuel Johnson. Premiums were paid promptly for a few years but suddenly stopped. After sending a few delinquent notices, the company received this reply: "Dear Sirs: Please excuse us as we can't pay no more premiums on Sam. He died last May.— Yours truly, Mrs. S. Johnson."

Blue Ribbon "Common" Should Sell Higher

Present quotation about $42. Dividend $2. The business (originally G. F. & J. Galt Limited) is exceptionally well managed and earnings are considerably ahead of dividend requirements.

Blue Ribbon Tea, Coffee and Baking Powder enjoy a larger sale in the West than any similar lines. Trade is firmly established; and the Executive is experienced and aggressive.

It is our opinion that Blue Ribbon "Common" should sell higher within a reasonable time, consequently we recommend the purchase of these shares "at the market."

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This Corporation has been organized for the purpose of acquiring capital stocks and other securities of representative oil companies, both foreign and domestic. The Corporation is empowered to acquire interests in all branches of the oil industry and affiliated lines, including pipe lines, natural gas properties, oil well supplies, etc. The Corporation's affairs will be administered by its executives under the control of a very strong Board of Directors. We recommend the purchase of this stock as a speculative investment.

PRICE: $34 per share
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Vice-President, Teachers' Insurance & Annuity Association of America.
A. E. Wilson,
President, A. E. Wilson & Co., Ltd., Toronto.

Balance Sheet as at December 31st, 1928

ASSETS		LIABILITIES	
Bonds and Debentures	$ 847,076.05	Premium Reserves	$ 271,816.65
Mortgages	66,100.00	Reserve for Unpaid and unreported claims	123,548.43
Cash on Hand	20,221.59	Reserve and Unpaid Losses under Unlicensed Reinsurances unsecured	1,398.20
Cash in Banks	156,715.27	Interest due on Reinsurance Balances	2,471.05
Accrued Interest	9,023.01	Reserve for Agents' Contingent Commissions	2,500.00
Agents' Balances excluding all balances prior to Oct. 1st, 1928	153,066.23	Taxes due and Accrued	13,963.86
Due from Reinsurance Companies	9,686.02	Reinsurance Balances	108,654.10
Market Value of Securities over Book Value	10,296.17	Cash withheld from Unlicensed Reinsurers	14,962.17
Due from other Companies	2,607.96	Agents' Credit Balances	3,791.67
		Sundry Liabilities	3,434.40
		Capital Paid Up ..$445,118.50 Surplus 283,133.27	
		Surplus to Policyholders	728,251.77
	$1,274,792.30		$1,274,792.30

Background of Business

Weekly Review of Canadian Conditions

CONDUCTED BY JOHN E. LANGDON

Dollar Volume of Trade Continues on Upward Scale
New Agricultural Estimate Indicates Larger Yields
Iron and Steel Output Reflects More Manufacturing
Newsprint Settlement Will Prove Aid to Key Industry
Volume of Employment at January 1 Reported Higher

THE dollar volume of business in Canada was well maintained last month, the aggregate of bank debits, after allowing for seasonal adjustments, having been 20 per cent. higher than in the same month for 1927. Much of this increase was explained by the greater activity in speculative trading, but the expansion in general business was also an important factor in swelling the total.

A survey of the returns show that conditions were uniformly good throughout the country. Saint John was the only important centre in the Maritimes to register a decline as compared with December, 1927, while the aggregate of the three provinces was about 9 per cent. higher.

Both Ontario and Quebec reported a slight decline in the dollar volume of business, while in the Prairie Provinces conditions remained about the same, Winnipeg being the only centre to register a decrease. Vancouver's debits showed an increase of 15 per cent., which more than offset a decline in Victoria.

Increase Was General

It is interesting to compare the results for the full year with 1927. The increases in 1928 as compared with the preceding year were general throughout the five economic areas. Ontario reported a gain of 18.3 per cent., while Quebec's increase was nearly as great relatively. The Maritime provinces showed an increase of 18.7 per cent. The increases in Western Canada were somewhat greater, the Prairie Provinces showing the marked expansion of 30.6 per cent. and British Columbia 21.5 per cent.

After making due allowance for a relapse in the stock markets during the current year, it is likely that the dollar volume of business for 1929 will show a further gain. This result will be mainly achieved by the greater purchasing power of the rural areas.

Revise Estimate Upward

The estimate of agricultural revenue has been revised upward as a result of a new estimate of yields prepared by the Dominion government. The preliminary figure of 550,000,000 bushels of wheat was later scaled down to 500,000,000 bushels, but last week the government issued a final revised estimate placing the yield at 533,571,700 bushels.

Generally speaking, the quality of last year's grain crop was slightly better than in 1927. Prices, however, are, in some cases, considerably under those prevailing a year ago, which offsets the larger yield. An idea of the amount of revenue accruing to farmers from last year's crop is to be seen from the following table:

	1927	1928
Wheat	$477,791,000	$426,013,000
Oats	225,879,000	210,956,000
Barley	64,193,000	76,112,000
Mixed grains	27,001,000	27,672,000
Potatoes	54,341,000	41,661,000
Roots	17,282,000	20,700,000
Hay	180,835,000	171,225,000
Fodder corn	15,849,000	17,204,000

The aggregate value of all field crops in 1928 is $1,100,568,000. This compares with $1,172,643,600 in 1927 and $1,104,983,100 in 1926. Thus the percentage of decline is relatively small, while the aggregate value is considerably above the average prevailing in recent years. Also when it is considered that the country has experienced three good crops in succession, the financial position of the farmer is probably stronger to-day than it was a year ago.

Steel Industry Active

Another favorable sign is to be seen in the production of pig iron and steel for last month. The output of pig iron at 103,450 tons, was the highest monthly total registered in 1928 and was nearly double that for the same month a year ago. While the gain in production of steel was not proportionate, the total of 103,054 tons compares favorably with the preceding months and is above the average for that month during the past ten years.

During 1928 the production of pig iron and primary steel in Canada reached the highest level attained since the record year of 1918. Output of pig iron at 1,037,535 tons was 46 per cent. greater than the total of 709,697 tons in 1927, whilst the production of steel ingots and castings at 1,240,214 tons was 37 per cent. over the 907,638 tons reported for the previous year.

Wider Demand Responsible

Increased demand for rails, track equipment and rolling stock by the railroads was one of the principal factors contributing to the gain in steel production. Other stimulating factors included greater requirements from the construction industry, the automobile industry, the agricultural implements industry, the mining industry and power development requirements.

So far there has been nothing to indicate a let down in the primary iron and steel industry activity. Allied industries are not so active just now due to seasonal curtailment of operations, but the primary iron and steel plants have sufficient business on hand to keep them busy for several months.

Reach Newsprint Settlement

The apparently successful conclusion of negotiations leading to a satisfactory settlement of newsprint prices, is of prime importance to Canadian industry. This industry is in a key position, its prosperity or depression being reflected in a large number of trades. While production has been steadily advancing during the past two years, low prices for newsprint have made it difficult to secure an adequate return on capital investment, with the result that a number of mills have been closed down.

While a price of $55 a ton for newsprint will prove of great assistance to the producers, it is expected that operations will be curtailed until the present slack between production and demand is taken up. At the present rate of growth of advertising and circulation of United States periodicals, the slack should be taken up before many months have passed.

Many Workers Employed

As reflecting industrial conditions employment has been maintained at a high level. At the beginning of this month, reports of the number of people employed showed the usual seasonal curtailment. The year end epidemic on influenza which prevailed in many areas, also resulted in reduced employment. Despite these factors, the situation continues better than on any corresponding date since 1920. The index on January 1, based upon the 1926 average employment as 100, stood at 109.1, as compared with 100.7 and 95.9 at the beginning of 1928 and 1927, respectively.

Manufacturing, construction, transportation, logging, reported pronounced seasonal contractions as compared with December, while trade and services registered improvement.

All provinces reported declines, those in Quebec and Ontario, where manufactures are especially important in the industrial distribution, being most extensive.

Business Conditions in United States

The volume of money turnover during the week ended January 19, as reflected by cheque payments, was smaller than in the preceding week, but showed a substantial gain over the corresponding period of 1928, according to the weekly statement of the Department of Commerce. Operations in steel plants showed some curtailment from the previous week, but were on a higher level than in the same week of last year. Factory employment in Detroit, indicating activity in the automobile industry, showed substantial expansion as compared with both the previous week and the same week of 1928. The output of crude petroleum, covering the latest reported week, showed further gains over both the previous week and the same period of last year. The production of bituminous coal was also greater than in either prior period.

The general level of wholesale prices was fractionally higher than in the previous week, showing a gain also over the corresponding period of a year ago. Copper prices, though showing no material change from the previous week, were twenty per cent. higher than last year. Iron and steel prices showed no change from the previous week but were higher than a year ago, while prices for cotton averaged higher than in either period.

Loans and discounts of Federal Reserve member banks showed a further contraction from the previous week, but were larger than a year ago. Interest rates on both time and call money averaged higher than in either the previous week or the same week of last year. Prices for stocks were higher than in the preceding week. Bond prices, reflecting higher interest rates, were lower than in either the preceding week or the same period a year ago.

Receipts of cattle at primary markets during the week ended January 12 were lower than a year ago. Hog receipts, on the other hand, were larger than last year. Receipts of wheat showed a decline from the same period of 1928. Business failures covering the latest week showed a decline from both the previous week and the same week of 1928

Weekly Business Conditions

Average 1923-25 equals 100

	1929 Jan. 12	1928 Jan. 14
Steel operations	110.5	93.0
Bituminous-coal production	119.8	111.5
Lumber production	96.4	97.3
Petroleum prod. (da. av.)	124.5	113.9
Detroit employment	127.4	97.8
Freight-car loadings	....	94.6
Bldg. contracts 37 states (da. av.)	93.4	109.2
Wheat receipts	56.7	62.5
Cotton receipts	118.5	83.1
Cattle receipts	77.2	98.4
Hog receipts	120.6	109.4
Price No. 2 wheat	83.7	102.3
Price cotton middling	74.6	71.7
Price iron & steel, composite	87.5	85.1
Copper, electro., price	119.6	100.0
Fisher's index (1926 : 100)	97.1	95.1
Cheque payments	154.8	138.0
Bank loans and discts.	130.9	123.6
Interest rates, call money	154.5	100.0
Business failures	156.0	154.8
Stock prices	238.7	184.9
Bond prices	107.4	111.0
Interest rates, time money	174.3	97.1
Federal reserve ratio	85.5	91.2

Canadian Business Indicators

Compiled Weekly by The Financial Post

	Latest 1928	Latest 1927	Cumulative for Year 1928	Cumulative for Year 1927
Weekly				
Car Loadings (Jan. 19, '29)	58,156	63,038	161,435	181,326
Stock Index (Jan. 24, '29)	1132.0	317.7	......	......
C.P.R. Gross Earn. (Jan. 21, '29)	$3,833,000	$3,464,000	$10,640,000	$10,099,000
C.N.R. Gross Earn. (Jan. 21, '29)	$4,123,773	$4,526,131	$11,521,565	$12,727,040
Production—		**Monthly**		
Pig iron, tons, (Dec.)	103,450	63,197	1,037,535	709,697
Steel, tons, (Dec.)	103,054	96,248	1,240,214	907,638
Newsprint, cwt. (Dec.)	208,484	181,600	2,381,102	2,086,949
Automobiles (Nov.)	11,769	6,617	232,957	175,948
Boots and Shoes, pr. (Nov.)	1,289,758	1,408,979	16,500,018	16,319,997
Flour, bbls. (Oct.)	2,180,000	2,005,000	15,502,000	13,815,319
Construction—				
Building Permits (Dec.)	$16,742,139	$11,755,566	$220,265,100	$184,613,742
Contracts (Dec.)	18,905,200	36,682,000	472,032,600	418,951,600
Labor—				
Employment Index (Jan. '29)	109.1	100.7	......	......
Trade—				
Imports (December)	$94,620,925	$83,262,695	$1,222,317,916	$1,087,117,930
Exports (December)	$130,847,423	$130,277,157	$1,349,751,403	$1,218,336,773
Imports of Key Products—				
Rubber, lbs. (Nov.)	6,270,000	4,292,000	62,352,000	53,988,000
Cotton, lbs. (Nov.)	16,955,000	11,987,000	116,702,574	104,576,458
Sugar, cwt. (Nov.)	823,274	657,799	8,637,236	......
Petroleum, gals. (Nov.)	15,397,947	15,966,366	330,551,154	......
Coal, tons, (Dec.)	1,668,602	......	17,714,330	......
Exports of Key Products—				
Newsprint, cwt. (Nov.)	3,923,734	3,599,372	......	......
Automobiles, No. (Dec.)	9,425	3,106	242,382	179,054
Wheat, bush. (Dec.)	49,088,963	44,808,700	365,428,561	255,062,125
Wheat flour, bbls. (Dec.)	922,965	956,762	10,737,266	9,262,936
Electric Power—Output—				
M. Kilowatt hours (Nov.)	1,438,880	1,313,834	14,461,151	12,848,668
Population—				
Emigration (Sept.)	7,538	9,542	......	......
Immigration (Oct.)	8,041	9,433	......	......
Finance—				
Failures, No.	......	......	1,863	1,993
Failures, Liabilities	......	......	$36,451,242	$26,056,208
Bank Debits (Dec.)	$3,866,181,970	$4,274,077,903	$43,472,208,879	$36,093,503,098
Bond Sales (Dec.)	$55,475,676	$16,711,620	$439,516,296	$617,266,673
Insurance Sales (Dec.)	$56,647,000	$48,899,000	$580,674,000	$502,438,000
Wholesale Prices (1913-100)—				
General Index (Dec.)	146.7	151.8	......	......
Iron	140.5	141.1	......	......
Cottons, raw	155.8	159.7	......	......
Grains	137.2	159.7	......	......
Cattle	134.5	140.4	......	......
Rubber	35.7	65.0	......	......

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Limited

An Investment Trust in
Standard Oils

Synopsis of

FIRST ANNUAL REPORT

For period ending November 30, 1928

1. The Company was formed May 4, 1927, although at November 30, 1928, it had been in actual operation for only 16 months.
2. Commencing with no resources, authorized capital at November 30, 1928 was fully subscribed by about 2,000 shareholders. Stock outstanding $1,569,002.50.
3. Liquid Assets amount to $1,424,599, which comprise:

Securities of Standard Oil Companies and Subsidiaries—at cost or market value (whichever is lower), on deposit and held by the Trustee	$ 778,058.13
Cash and Call Loans with Canadian Chartered Banks	630,643.78
Dividends Receivable	15,898.01
	$1,424,599.92

4. Average amount of capital employed during period $520,531.
5. Net earnings available on Preferred Stock were equal to nearly four times the dividend requirements.
6. Net earnings on ordinary Common Stock were $2.16 per share on the 47,081 shares. As only a portion of the total issue was outstanding for the full period, net earnings on the average amount of stock outstanding were considerably higher.
7. Initial dividend of 25 cents per share declared on ordinary Common Stock, payable in January, 1929.
8. Surplus carried forward is more than sufficient to pay the entire Preferred Dividend for 1929.

DIVERSIFIED STANDARD SECURITIES
LIMITED
is under the same sponsorship as
SECOND DIVERSIFIED STANDARD SECURITIES
LIMITED
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Copies of the Annual Report may be obtained by applying to the Company or its Fiscal Agents:

F. J. FAIRHALL & ASSOCIATES
LIMITED
Investment Trust Bankers
414 St. James Street, Montreal

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MONTREAL : TORONTO

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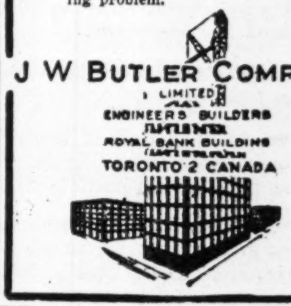

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GRESHAM HOUSE, OLD BROAD ST.
LONDON, E.C.2, ENG.

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Atlantic Sugar Refineries
LIMITED

General Offices
211 McGILL STREET
MONTREAL

Refineries - St. John, N.B.

Durant Success / well Merited!

CANADA'S leading financial papers refer to the success achieved by Durant Motors of Canada, Limited, as being "well merited".

The Financial Post of November 2nd, 1928, says: "Durant Motors of Canada, Limited, owes much of its success to the modern and thoroughly equipped plant it owns and operates at Leaside, Ont. . . . the equipment is the most modern and up to date procurable".

Continuing, the Financial Post says: "The Company owns, absolutely free from mortgage or encumbrance of any kind, some 14⅓ acres of land . . . and a plant consisting of 10 modern buildings with a floor space of more than 500,000 square feet and equipped to turn out upwards of 175 cars a day".

When the foregoing was published, a new, three-story office building was under construction and will be completed early this spring; 22,000 square feet of manufacturing floor space and 38,196 square feet of covered storing, shipping and receiving space have been added.

Following is a quotation from another Financial Post article: ". . . The sales organization has extended year by year until now it covers the entire Dominion. . . . It is to the loyal dealer organization that the management gives much credit for the splendid sales records of the past two years".

The policies of the Company, as illustrated by the foregoing quotations, form the background for the building, the sale and the servicing of Durant passenger cars and Rugby trucks, and they are in no small degree responsible for the strong and enviable financial and commercial position the Company now occupies.

Durant Motors of Canada, Limited, is most ably equipped to secure and hold the continued confidence of the Canadian people.

Durant Motors of Canada Limited.
TORONTO CANADA

1-129

BELDING PROFITS MUCH GREATER; POSITION STRONG

Earned Much More Than Twice Common on Dividends in Past Year

From Our Own Correspondent

MONTREAL.—With a more than substantial increase in profits, with a depreciation and sinking fund reserve equivalent to more than half the figure at which the company carries its properties on its books, and with a surplus virtually equal to goodwill account, the annual report of Belding-Corticelli for the fiscal year ending November 30 last, is a document which makes exceedingly pleasant reading for the shareholders; more particularly as A. O. Dawson, the president, in his remarks to the shareholders says that as Canada appears to be passing through an era of prosperity, and as the products of the company's mills are now in public favor, the directors expect that 1929 will be a satisfactory year also.

The balance sheet reveals that during the year, extensive sums have been spent on capital account; the property is carried on the books at $2,004,000 as against $1,823,000 a year ago. During the year the bonded indebtedness was reduced from $332,300 to $296,477. Depreciation and sinking fund reserve now stands at $1,079,000 as against $925,000 a year ago. Other changes in the balance sheet were not particularly significant, except that the already extremely strong working capital position has undergone a further improvement.

Income Figures Compared

The company's income account figures reveal a substantial increase in its surplus account, together with a larger allowance for depreciation. The comparison of the present working capital position with last year's reveals that working capital is fractionally higher and that the ratio of current assets to current liabilities has been improved. The comparison of these figures follows:

	1928	1927
Profits	$357,348	$275,341
Deduct:		
Sinking fund	14,790	14,790
Depreciation	118,841	74,047
Debenture interest	36,980	36,980
Insur. reserve	14,274	13,121
Total	184,887	138,939
Net profits	172,461	136,402
Pref. dividends	60,571	60,571
Balance	111,890	75,831
Com. dividends	52,465	44,970
Balance	59,425	30,861
Previous balance	390,464	371,201
P. & L. balance	449,889	402,062

Working Capital Position

	1928	1927
Current assets	$1,224,824	$1,326,768
Current liabilities	206,811	314,169
Working capital	1,018,013	1,012,599

WESTERN HOMES PROFITS GROWING

1928 Gain Exceeds 8 Per Cent. on Capital for First Time

Western Homes, Ltd., had profits of $93,576 in the year ended December 31, 1928, compared with $77,270 in the previous year. The profit last year was in excess of 8 per cent. for the first time in the history of the company. Dividends and reserve for income tax took $51,393 of the profits and $40,000 was added to the general reserve, bringing that fund to $90,000, leaving $27,469 to be carried forward.

Willis Argue, president and managing director, reported general business conditions in Western Canada as highly satisfactory. The company had collected 95 per cent. of its 1928 income before the end of the year, exceeding the 1927 collections by $7,355.

Western Homes heretofore has confined its investments very largely to Winnipeg and Manitoba. Branches will be opened in Regina and Saskatoon and further expansion in Saskatchewan and elsewhere in the West is planned.

Distribution of Earnings

	1928	1927	1926
Profits	$93,576	$77,270	$68,266
Divs. & inc. tax	51,393	46,496	54,626
Reserve	40,000	30,000	20,000
Balance	2,183	774	*6,360
Prev. bal.	25,286	24,512	30,872
	$27,469	$25,286	$24,512

* Debit.

Dominion Distillers Will Move Its Plant

From Our Own Correspondent

MONTREAL.—The Dominion Distillers Consolidated has recently acquired another plant in Montreal and the present plant on the Lachine Canal will be transferred to the new location as soon as possible. Its output will then be increased from the present daily capacity of from 5,000 gallons to 10,000 gallons with a storage capacity of some 7,000,000 gallons. Due to the location of the new plant it is expected that transportation economies will be effected in handling both the raw materials and the finished products. The 1928 annual report of the company will be forthcoming shortly. The board of directors has changed somewhat and now consists of the following: A. W. P. Buchanan, president; F. J. Parker, vice-president; J. H. Fortier, C. E. Taschereau, N.P., Aimé Geoffrion, K.C., J. W. Norcross and R. H. Gale.

London Loan Profit Lower for Last Year

London Loan & Savings Co. had gross profits of $60,081 in 1928 after defraying expenses of management, compared with $60,591 the previous year. The company paid dividends totalling $65,124 for the year, or 7 per cent. on the paid-up capital of $944,080. The balance carried forward from 1927 was $7,363. The reserve fund stands at $450,000. Mortgages outstanding are down from $1,802,641 to $1,566,557.

Record of the company in recent years follow:

Earnings Record

Year	Paid-up Capital	Profits	Earn. %	Div. Rate
1920	$891,383	$81,125	9.1	7
1921	891,444	73,191	8.2	7
1922	891,539	74,068	8.3	7
1923	891,539	71,349	8.0	7
1924	891,571	72,626	8.1	7
1925	891,571	x66,611	7.4	7
1926	891,571	x53,655	6.0	7
1927	892,536	60,591	6.7	7
1928	944,080	60,081	6.3	7

x Tax reserve deducted.

Joins Williams Partridge

MONTREAL.—The new Quebec office of Williams Partridge and Rapley, investment bankers, is under the managership of J. Ross McLeod. Mr. McLeod has been associated for more than twenty years with the Canadian Bank of Commerce, three of which were spent in the department of the superintendent of Quebec in Sherbrooke, and eight years as accountant in the Quebec branch.

C. S. L. Is Building Important New Ships

From Our Own Correspondent

MONTREAL.—The steady program of additions and replacements, initiated when the present management took over the operations of the Canada Steamship Lines, is being continued.

The company's two shipbuilding yards at Lauzon and at Midland are engaged in building two new package freighters. In addition, the company proposes to build at Midland another 600 foot, upper lakes, bulk freighter similar to the S. S. Gleneagles. Work on the new ship will commence about the middle of February, which will see the completion and launching of the new package freighter at present under construction there. It is anticipated that the new freighter will be completed by September in time to benefit from the annual heavy grain shipments in the autumn. The new ship will embody all the latest features in upper lake marine design and will be the most up-to-the-minute ship on the lakes.

Dairy Output Valuable

Dairy production in the Prairie Provinces in 1928 had a value of $55,095,560 as compared with $54,426,212 in 1927. Manitoba accounted for $14,133,060; Saskatchewan $20,612,500 and Alberta $20,350,000.

New Contract Expected for Hamilton Bridge

From Our Own Correspondent

MONTREAL.—It is thought that earnings of the Hamilton Bridge Company during 1928, available for dividends and depreciation, were approximately $450,000. This is after allowance has been made for losses sustained on the Welland Canal contract.

After deducting dividends on the first and second preferred stocks, amounting to $206,250, and depreciation, it is thought that earnings applicable to the common stock will be in the region of $4 a share.

The construction of the new building of the Bank of Commerce in Toronto is expected to result in a substantial order for the Hamilton Bridge Company.

Manitoba Cordage Active

The Manitoba Cordage Company reports a year of steady progress. A crop of approximately 1,200 acres of hemp was planted during the year, as compared with 600 acres during 1927. Four hundred acres of hemp were grown at Rheim, Saskatchewan. Manufactured products are meeting with a favorable reception and a gradually increasing business is being done.

More Oil Produced

With a production of 47,505 barrels of naphtha and crude oil to Calgary refineries during December, Turner Valley oilfields set a new record for a single month, surpassing the previous peak in August by nearly 500 barrels, says the Herald. During December, naphtha deliveries to the Imperial Oil refinery were 26,672 barrels, and crude deliveries were 19,000 barrels. Of these totals Royalite No. 4 supplied 15,500 barrels of naphtha, and Okalta furnished 11,296 barrels, or a little more than half of the total amount.

The Bell Telephone Company *and* its Financial Policy

The Bill before Parliament

THE Bill which the Bell Telephone Company is bringing before parliament is an amendment to the company's act of incorporation by which the company may seek new capital for extension of the telephone system.

Previous advertisements have given the details of this Bill and of the relationship with the Northern Electric Company and the American Telephone & Telegraph Company. This advertisement deals with the financial policy of the company regarding sale of new shares.

TO obtain new capital the telephone company must attract investors in competition with other companies which are also seeking new capital. Many of these offer prospects of high rewards either in dividends or in appreciation.

These other companies are both Canadian and foreign, for in the investment of money there is neither sentiment nor geography.

The telephone company's procedure in seeking new capital is as follows:—

1. To issue new shares of stock at intervals and only in amounts depending on the expansion required to meet public demand.
2. To offer the new shares for purchase by shareholders, in proportion to the number of old shares owned at the time of issue.
3. To determine the price by judgment of conditions at the time.

Apart from new shares the company will seek new capital by offering also new issues of bonds, and these will usually occur at intervals between offerings of shares.

This method of offering new shares is the exact procedure which the company has followed for the past forty-eight years, with a record in which it takes pride:

1. in forty-eight years it has never suggested nor received a government subsidy, grant or loan;
2. in forty-eight years it has never split its stock, nor issued shares that were not fully paid for at par or over par;
3. in forty-eight years it has never been exploited for the benefit of either individuals or groups, although it has become one of the largest institutions in Canada;
4. after forty-eight years it is today giving service at rates which are the lowest in the world for comparable service.

the double obligation

THIS policy has been followed, and this record established, because the management of the telephone company, through the years, has had constantly in mind the double obligation which exists for those who operate a public utility.

On one hand there is the obligation to the users of the telephone system to provide them with adequate service at the lowest cost consistent with safety.

On the other hand is the obligation to the owners of the system to safeguard their property and to pay a fair return on the money they have provided to build the system.

In the case of the telephone company there is definite evidence available, of fact and figure, to demonstrate whether or not its policy has fulfilled this double obligation.

obligation to users

FINDING the money to build and extend the system has been the first requirement.

When the telephone system began in 1880 its limit of capital was only $500,000 because there was little idea then of how the telephone would develop.

But as the demand for telephone service grew, more and more money was needed to provide it and parliament amended the company's act of incorporation so that new capital might be invited from investors.

These amendments have been made by parliament as follows:—

from $500,000 in 1880
to $2,000,000 in 1884
to $5,000,000 in 1892
to $10,000,000 in 1902
to $30,000,000 in 1906
to $75,000,000 in 1920

The new capital thus authorized by parliament has been obtained by the company's policy of offering new shares for purchase by shareholders, and the demand for telephone service has always been met.

In 1880 there were only a few hundred telephones in Ontario and Quebec. In 1900 there were 40,000. By 1915 the total had reached 243,000. At the end of 1928 there were over 700,000. At the present rate of demand there will be over 1,000,000 within the next six years.

The telephone company not only has kept pace with the country's growth but is alert to anticipate it. Its budget for 1929, for new plant to extend and improve the system, is over $27,000,000. And it has already made plans for similar expenditures during the next five years totalling over $120,000,000.

But to give adequate service is not enough. The second part of the obligation to telephone users is to give service at the lowest cost consistent with safety.

There are three sure ways of testing the results of the company's policy in meeting this obligation.

The first way is to see whether the company has been economical in building the system, by examining its costs in comparison with the costs of other systems.

The second way is to see whether the money which has built this system has been provided economically, by examining the company's fixed charges in relation to total property used in the public service.

The third way is to see what the actual cost is now to the telephone users in the monthly rates they pay.

(*a*) *low cost of building*

HERE are figures from the last published annual reports to show what the telephone company has spent to build the system in Ontario and Quebec as compared with other systems in Canada, the United States, England and Brazil.

Some of these other systems are operated by governments and some are private companies. It must be recognized that the conditions of operation are very different. Some are easier; some are more difficult.

But over so wide a range of comparison, and taking an average of all conditions, the figures tell the story.

System	Number of Telephones	Capital cost per telephone
1. government system in Great Britain	1,511,585	$307
2. government systems in Manitoba, Sask., and Alberta	161,351	$294
3. Brazil	83,677	$248
4. all companies of Bell system in United States	13,726,000	$221
5. Bell Telephone Co. in Ontario and Quebec	668,383	$189
6. companies in B.C. and the Maritimes	160,515	$157

The average cost per telephone of all the other systems, according to their annual reports, has been $227. The cost per telephone of the system in Ontario and Quebec has been $189.

(*b*) *low cost of capital*

ON November 30, 1928, the total money which had been spent in building the telephone system was $139,500,000.

On the same date the annual requirements in fixed charges consisted of $2,242,000 for interest on bonds and bank loans, and $4,820,000 for dividends on all shares outstanding. Fixed charges thus totalled $7,062,000.

The relation between these two totals means that the total telephone property used in the public service represented by all the money spent in building it—is costing today slightly more than five per cent. To be exact the cost is 5.06 per cent.

(*c*) *low cost of using*

THE rates which telephone users pay in Ontario and Quebec are the lowest in the world for comparable service.

Without making specific comparisons the fact may be stated that throughout Ontario and Quebec especially in the larger cities, telephone users are getting service at lower rates than those paid in corresponding cities across the border.

And the rates paid by users in Ontario and Quebec are lower than those charged in other provinces of Canada.

This has been officially acknowledged in the judgment of the Board of Railway Commissioners following their investigation of the subject in 1926.

The Commissioners stated that while comparisons of rates are not always conclusive, it was apparent that the rates charged in Ontario and Quebec are more reasonable than those charged in other provinces for comparable service.

On every count—cost of building, cost of money and actual cost of using—the facts demonstrate that the telephone company has fulfilled its first obligation as trustee of a public utility.

It has given, and is giving, adequate service. And it is giving this service at the lowest cost consistent with safety.

obligation to owners

THE second obligation is to the owners of the telephone system. The owners of the telephone system are 15,300 shareholders. Of these, 95 per cent live in Canada and hold 62 per cent of the total shares. Over 50 per cent of them are women.

Of the remaining 38 per cent of the shares, 31 per cent is held by the American Telephone and Telegraph Company and the ownership of these shares is divided again among 450,000 shareholders. The other 7 per cent of shares is scattered among people in the British Isles and other countries.

The average individual owner of the telephone system has 27 shares of stock and the income from these is $216 a year. The largest individual holding is 1510 shares, which is one quarter of one per cent of the total.

The obligation to the owners of the telephone system is to safeguard their property and to pay them a fair return on the money they have provided to build the system.

There is a close relation between this obligation and the obligation to the users of the system.

For, if the rights of the users are permitted to intrude on the rights of the owners, the latter will cease to support the enterprise and the users themselves will ultimately suffer.

At the same time, if the obligation to the owners is permitted to intrude on the rights of the users, the cost of service will be too high, the users will become dissatisfied and the security of the property will be jeopardized.

In other words, the two obligations are supplementary to each other and a just and proper appreciation of this fact is required from the management. There must be a fair return for the owners, but no more.

meeting this obligation

THERE is a simple and definite way of discovering whether the company's policy has met this obligation.

It is to examine the return the individual shareholder has actually received over a period of years.

A test case is provided in the typical experience of an individual who bought 80 shares of telephone stock on the market fifteen years ago—just as an investor might do today—and has since taken advantage of his opportunity to buy new shares at each offering during the fifteen years.

Here are the figures of his transactions:

1913—bought 80 shares on market at $145	$11,600
1919—1 new share for 4 old—20 new at $100	2,000
1921—1 new share for 4 old—25 new at $100	2,500
1922—1 new share for 5 old—25 new at $100	2,500
1924—1 new share for 5 old—30 new at $100	3,000
1927—1 new share for 5 old—36 new at $100	3,600

In 1929 he has 216 shares and has paid $25,200. His annual dividend on 216 shares is $1,728. His annual rate of return is 6.9 per cent.

This is typical because the latest records show that the holders of 84 per cent of the company's total shares subscribe to new shares in exactly the manner shown above.

A return of less than seven per cent on common stock to a shareholder who has exercised all the privileges allowed by the company's policy, for fifteen years, is but a fair return.

It demonstrates that the company's policy has handed out no "melons" to shareholders, nor excessive dividends. It has provided only the fair return necessary to fulfil the obligation to the owners of the system and to attract their continued support for the expansion of the service.

policy is justified

IT has been suggested by some that restriction should now be placed upon the telephone company in its financial policy. The company believes that its policy should not be changed because:

1. the record of the past forty-eight years, in fulfilling the double obligation to the users and to the owners of the system, justifies continuance of the policy by which this has been accomplished.
2. if the financial policy of utility companies is to be defined by parliament, it should be made a matter of general legislation applicable to all such companies rather than a matter of singling out one company which does not deserve discriminating restrictions.
3. the proposed change in method of offering new shares, whether applied only to the telephone company or to all such companies, is not in the national interest of this country.

The first two of these reasons are self-explanatory. The last requires more explanation.

the third reason

THERE is no sentiment in the investment of money.

If public utilities in Canada are to be restricted in their method of offering new shares no investor can be expected to purchase shares of Canadian utilities in preference to the shares of numerous telephone, telegraph, railway, light and power companies in the United States which have no restrictions and which thus are more attractive as investments.

These are the companies with which the telephone company in Ontario and Quebec must compete in inducing investors to supply new capital for extension of the telephone system.

the national interest

THOSE who advocate restricting the telephone company do so, in most cases, with sincere conviction that this will obtain more money for the Company and cheaper rates than the present policy.

In unusually strong markets this might be so temporarily, but whether it would be true over a long period of years, in bad times as well as good, is a matter of judgment.

But, in any case, the question of national interest is one of wider importance and more definite consequences.

So long as the double obligation to the users and to the owners of the telephone system is fulfilled—and it has been scrupulously fulfilled—the policy which encourages Canadians to invest in Canadian enterprises and which avoids sending their money to the United States to find greater inducement, is the policy to be followed.

This is the policy which the telephone company has followed and wishes now to continue.

THE BELL TELEPHONE COMPANY OF CANADA

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Your Investments

Investment questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers. A two-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write mining and insurance inquiries on sheets separate from other investment inquiries.

Canada Cement

What is your opinion of Canada Cement preferred, please?

The Canada Cement preferred can be regarded as a satisfactory holding in a diversified list such as yours. It is a business man's preferred stock.

Canadian Bronze

Would you advise me to hold on to my Canadian Bronze shares?

Yes, Canadian Bronze shares still appear to be a hold—despite the fact that the present market price indicates clearly that they are somewhat speculative.

Canadian Hydro Electric

Do you think the preferred shares of the Canadian Hydro Electric Corporation are a secure investment? I hold some of these shares.

Your Canadian Hydro Electric first preferred shares can be regarded as an excellent investment stock.

Canada Steamships

Are the bonds of the Canada Steamship Lines a safe investment? I have some money invested in these bonds?

Your bonds in the Canada Steamship Lines can be regarded as a first class investment. The company is steadily improving its position.

Thermodaire

Do you consider Thermodaire stock a good investment?

We most certainly do not consider the stock of Thermodaire to be an investment. We do not consider it to be a speculation, and we do not even consider it to be a good gamble. We advise you strongly to have nothing to do with this unattractive stock.

Montreal Island Power

I hold some of the bonds of Montreal Island Power. Are these bonds a safe investment in your opinion?

The Montreal Island Power bonds can certainly be regarded as an excellent investment and should be retained. With your share warrants you have an opportunity of participating in the future progress of the company.

Steel Wares Preferred

Do you consider the preferred stock of General Steel Wares a good hold?

Your General Steel Wares preferred can be regarded as an excellent stock in its class—suitable for a business man such as yourself with a diversified list who desires to increase the average yield from his holdings. The company is doing well and is likely to make progress in the future.

Dominion Tar Debentures

Will you please give your opinion on the new 20-year debentures about to be issued by Dominion Tar and Chemical Co. with rights to purchase common stock?

In our opinion the debentures of the Dominion Tar and Chemical Company are a promising investment and the common stock purchase rights, which are attached to these debentures, make the issue attractive from the point of view of the investor looking for appreciation, as well as yield.

Gatineau Power

Do you consider the 6 per cent. bonds of the Gatineau Power Company perfectly safe?

The Gatineau Power 6's, we believe, are a first class investment. The investment merits of these bonds are steadily strengthening due to the increasing output of this power company. The bonds are amply secured both as to assets and as to earnings power. They can be regarded as an out and out investment.

C. M. Cordasco

I hold a bond of C. M. Cordasco and Company. I have heard nothing regarding the company for some time. Has the bond any value?

We are afraid that your bond of C. M. Cordasco & Company is worthless. That is, unless Cordasco should make a new start in life, be successful and finally pay off his creditors. Such a development seems unlikely.

In the meantime, we understand that Cordasco has left this country, leaving behind him many other creditors besides yourself.

'Peg Electric-Shawinigan

Do you consider the shares of Winnipeg Electric and Shawinigan equally attractive at the present time?

While both Winnipeg Electric and Shawinigan give indications of appreciating over a term, we feel that there is a greater speculative tinge to the Winnipeg Electric shares for in the last analysis, the prosperity of Winnipeg is solely dependent on the fluctuations in the price of grains coupled with the results which the western farmer obtains from his crops.

Loblaw Groceterias

What do you think of Loblaw Groceterias common stock as a business man's investment?

In our opinion, the common stock of Loblaw Groceterias, Limited, is a good investment for a business man. The company's sales have been growing rapidly and the system of merchandising may be said to be established. The Canadian company has a potential asset in the 50 per cent. of the common stock of the U.S. company which is operating chains of stores in Buffalo, N.Y., and vicinity and in Chicago.

Lake of the Woods

What is your opinion of the Lake of the Woods Milling Company stock as a purchase at present prices?

Lake of the Woods Flour Milling operates under able management and has a long record of success behind it—despite the lean years which have prevailed in the flour milling industry lately. On the whole, the milling industry in Canada is doing better business and as a semi-investment stock Lake of the Woods Flour Milling common looks attractive. Over a term of years there would seem to be satisfactory possibilities of appreciation.

International Power

I hold some preferred shares of the International Power Company. Would you advise me to sell these shares, or does the outlook for the company justify my holding them?

As a long hold International Power preferred in its class looks attractive to us. The company is increasing its revenue and over a term of years would steadily strengthen its position. The stock, though, is one which should be included only in a diversified list of holdings.

It depends on your financial position whether or not you should hang on to these shares or whether you should invest in bonds, or perhaps in sound gilt edged common stocks.

Cement Common

I hold some shares of the Canada Cement Company. What is the outlook for the company, in your opinion?

The Canada Cement shares can only be regarded as a two or three year hold for a business man. The stock is speculative. If building and construction in Canada keeps up to its present level, the management will have every opportunity of putting value behind the shares.

In its class, Canada Cement as a speculative stock for a business man looks excellent provided it is included in a diversified list and provided the holder proposes to retain it over a two or three year period. The company is very ably managed. The outlook for the future is excellent.

Montreal Island Warrants

Is there any market for the stock purchase warrants of the Montreal Island Power Company? These warrants expire on May 1. Is there a market for the common?

At the moment, there is a market of between $1 and $2 for the stock purchase warrants of Montreal Island Power Company.

No market for the common shares has yet developed as outside the stock set aside for those who purchased the bonds, the shares are all closely held by the Montreal Power Consolidated and by the Power Corporation of Canada.

However, a lot can happen between now and May 1st, and we anticipate that a market will develop for the shares before the date of the expiry of the stock purchase warrants. We advise you to watch the situation closely and if necessary get in touch with us say by the beginning of April when we can advise you what course you should take.

Durant Motors

What is your present opinion of Durant Motors of Canada? This stock was bought in 1922 at $10 per share.

If we held a fairly large block of shares of Durant Motors of Canada we would be inclined to sell a portion at the present prices, and to hold the balance for the long pull.

The principal uncertainty in the situation concerns the parent and the affiliated companies in the United States. There have been inconsistencies of policy which have suggested that the company's future is not entirely assured. One recent move possibly is highly constructive.

The Canadian company in the last three years has made remarkable progress under its present management. Whether a Canadian automobile company could be successful independently of a United States company is a question which would have to be solved if anything happened to the United States company.

Rolland Paper

I am considering the purchase of some Rolland Paper preferred. Do you consider this stock a good buy?

As you are aware, the fine paper industry in Canada has just experienced an excellent year. The outlook for 1929 is also favorable. Hence, we are inclined to feel that the Rolland Paper preferred with the attached stock purchase warrant is an attractive issue which might well be included in any business man's diversified holdings.

The position of the fine paper industry in Canada seems to have improved substantially in 1928 and this, in our estimation, makes the Rolland securities the more attractive.

The preferred is now quoted at about 95½ and the common at 30.

The stock purchase warrants entitle the holder to purchase common at $32 up to June 1, 1929. Thereafter, the price increases up to $40 a share by June 1, 1934. After that date the purchase rights expire.

Monarch Mort. and Invest.

I would like to have your opinion on the Monarch Mortgage and Investments, Ltd. I have no idea whether it is an old-established company or a newly-formed one. Can you give me an opinion on Canada Dairies Ltd., Promoted by Bond and Investment, Ltd.

Monarch Mortgage and Investments, Ltd., is a company dealing in second mortgages. It has been successful so far, and apparently is capably and conservatively managed. The stock so far has proved to be a good investment except from the point of marketability. Treasury stock will be in process of distribution for some little time yet, and there is, of course, no market for the individual's stock so long as treasury stock is being sold.

The dairy business in Toronto is highly competitive, and the preferred stock of Canada Dairies, Ltd., must be considered merely a speculation until such time as the company has behind it a record of earnings. The merging of a number of small dairies in a large city is not a magic formula for success.

National Drug.

Is there a market for the shares of the National Drug and Chemical Company? I hold some of this stock, but am not able to get any information regarding the position of the company.

It is virtually impossible to obtain any real information on the activities of the National Drug and Chemical Company of Canada. The shares are closely held and the management will not give out any information on its activities.

However, we do understand that the company has experienced a better year and that earnings are larger. It is imposible for us, though, to forecast dividend action.

There is no market for the stock and the results for the year ending January 31 will not be made known until the company publishes its annual report the first Friday in June.

The inability of shareholders to obtain information is one of the handicaps investors in the shares of companies which do not list their stock always experience. We are sorry not to be able to obtain more information on the situation for you.

Power Corporation

I am undecided as to whether I shall buy some Power Corporation common or the preferred stock of Canadian Power and Paper Investments. Would you give me your valued opinion?

Whether you should invest in Power Corporation or the convertible preferred of the Canadian Power and Paper Investments depends entirely on your requirements.

If you desire to obtain a yield coupled with the possibility of appreciation Canadian Power and Paper Investments convertible preferred would meet your requirements.

If immediate yield is of no interest to you, Power Corporation common undoubtedly looks like a satisfactory purchase for a man with a diversified list.

If you are solely interested in ultimate appreciation, on the whole we are inclined to favor Power Corporation common. The stock though must only be regarded as a long hold. In its class, though, the preferred stock of Canadian Power undoubtedly holds many attractions for an investor who desires to obtain some yield on his holdings.

Common Stocks

A copy of your November 30 issue came to my hand the other day. I was especially interested in the article on Common Stocks by Floyd S. Chalmers. It reads too good to be true. However, it set me thinking. I have never invested in common stocks and know little or nothing about them. It is my intention to study them.

I would be glad if you would make out a list of what you consider the leaders in their particular line, also a balanced list of common stocks.

My funds are very small and so would be more interested in the lower priced stocks.

Steel Company of Canada, Imperial Oil, City Dairy, and Montreal Power are four high-grade Canadian investment common stocks. Power Corporation is a holding company owning stock in a number of Canadian and United States utilities. Power Corporation is not yet in the first grade investment class, but apparently it is rapidly assuming that position.

We believe that the investor who buys these five stocks would experience a substantial appreciation of capital over a period of years, if, as can be assumed, Canada will continue to be prosperous and progressive.

Beauharnois

Do you think the Beauharnois project will affect the operations of Montreal Power and Shawinigan?

On the whole, we feel that should the Beauharnois project go through—as it is likely to do—that Montreal Power and Shawinigan will be benefitted rather than feel any really adverse effects.

The Beauharnois project calls for an expenditure ultimately of some $50,000,000. The expenditure of such a large sum in the Montreal area we feel will be sure to benefit Montreal Power materially and, indirectly, Shawinigan.

Moreover, the Beauharnois group are certainly not going to duplicate distribution lines in the city of Montreal. In fact, they will certainly not duplicate existing transmission systems in that province. Such duplication would be uneconomic waste.

The Beauharnois interests have aligned large power using industries to utilize a large proportion of their output and we feel that all this cannot but indirectly affect both Montreal Power and Shawinigan favorably. We regard the ultimate future of these stocks as being entirely satisfactory and feel that you would do well to retain them.

Canadian Terminal System

Can you recommend the purchase of Canadian Terminal System, Ltd., common stock? We have been advised to exchange Montreal Debenture stock for the above issue. We are anxious to be relieved of the holding in Montreal Debenture but do not want to jump from the frying-pan into the fire. What do you say?

Frankly we do not know whether the common stock of Canadian Terminal System, Ltd., is a better purchase at this time than Montreal Debenture Corporation. Both are products of the same investment house. The actual value of the common stock of Canadian Terminal System, Ltd., probably is not much at this time, but if the company becomes established, as is possible, it may be that eventually the common stock of the company will be valuable. The elevators, warehouses, etc., which have been or are to be established by Canadian Terminal System, Ltd., will be financed almost exclusively by bonds so that the actual immediate values behind the common stock of the company will not be very large. On the whole, we are inclined to the opinion that the newer proposition may be the more attractive, but this is only a guess.

Municipal Service

Would you please advise me whether I would do well to buy some shares of the Municipal Service Corporation? What do you think of the preferred stock? What is the preferred selling at?

We hardly think that the shares of the Municipal Service Corporation are an attractive investment for the average investor. If you desire to speculate, we would rather see you purchase the "B" shares of International Utilities which have far greater possibilities than the common of the Municipal Service Corporation.

No dividends are being paid on the preferred stock and we have not been able to obtain any quotations from unlisted brokers on the shares. By getting in touch with the company itself, you could, we presume, be able to pick up some of the preferred—provided you care to do so.

Over a term of years the company may make progress. However, we feel that even if the company is moderately successful in the future it has not the same speculative features which surround many of the other stocks.

In our estimation, you would be well advised to pass up what opportunities are offered by the Municipal Service Corporation and to make your commitments in other directions.

Bank Shares

I have $75,000 to invest, which represents my life's savings. Would you advise the purchase of bank shares as the best and safest investment? If so, which bank do you recommend? Would a diversified list be better?

We have every confidence in Canadian banks, but we would not advise the concentration of an investment of $75,000 in any one class of security, especially when that $75,000 represents the life savings of any individual.

We think that a proportion of your funds should go into government bonds and the balance diversified among a dozen or more leading Canadian utility and industrial companies.

As you apparently were ready to accept the comparatively low yield from bank stocks it is probable that you do not desire to get a high average yield on your investments, and, in fact, are intending to invest for appreciation of capital as well as safety and income.

In the selection of bonds we would suggest that you take care that each of the bonds is a specific first mortgage on properties of established utility and industrial companies. We would be glad to hear from you again if you wish definite suggestions along this line.

We believe that every Canadian investment list should include one or more bank stocks up to perhaps ten per cent. of the total investment.

Consumers Gas, Etc.

Would you please give me your suggestions as to what stocks of the following list I should hold or sell?

	Price
Consumers' Gas	$220
Muirheads	12
Wpg. Electric	120
Int. Nickel	43 90
Int. Petroleum	47 50
Steel Co. of Canada	56
Can. Indus. Alcohol	40
Dom. Bridge	92
Teck Hughes	10 60
Sherritt-Gordon	6 90
Hud. Bay Mng. & Smltg.	21
Slocan-Rambler	30
Kootenay-Florence	29

Owing to the fact that the Provincial Government has, for the time being, prohibited Consumers' Gas Company from allotting additional stock to shareholders, the existing stock must be considered in the light of an industrial bond. As such, it is high grade.

International Nickel, International Petroleum, Steel Company of Canada, Canadian Industrial Alcohol and Dominion Bridge are good grade industrial stocks and in our opinion should be retained. Winnipeg Electric, we believe, will do well over a term and some favorable developments are expected shortly.

Muirheads is one of the smaller companies and the market interest is not broad. Our information is that the company is doing well.

If and when the mining market regains its former position, Teck Hughes, in our opinion, should be among the leaders. Sherritt-Gordon and Hudson Bay Mining & Smelting are two of the more ambitious mining developments and as such are attractive in their class.

Dalhousie Oil is speculative. Your other mining stocks are speculative.

J. S. Mitchell

Would you be so good as to give some information regarding the J. S. Mitchell Company? Do you think that the shares will sell higher in the near future?

J. S. Mitchell has an outstanding capitalization of 15,000 shares of no par value, and $600,000 7 per cent. cumulative preferred. We understand a portion of the preferred stock issue has during the past year been redeemed by the company. The company has no securities or mortgage indebtedness ranking senior to its stock. The J. S. Mitchell preferred change hands at above par. The common stock varies between 60 and 70. Earnings on the shares this year, it is said, will be largely in excess of a year ago. For 1928, we understand that earnings will run to about $6 a share on the common. The company, though, may not show quite this amount in its annual report.

We know of no immediate special developments which would affect J. S. Mitchell common shares. About all we can tell you is that dividends on the common are not anticipated for some time as it is thought that the management will plough back earnings into the property and also into redeeming its outstanding preferred.

J. S. Mitchell Company is an ably managed little concern and the development of the Eastern Townships of Quebec will, we believe, be reflected in increasing earnings. The common stock looks to be an interesting hold for a business man. As such it is very attractive.

When Women Invest

Problem for Widow With Five Children Whose Capital Is Only $10,000; Prospects of Reindeer Industry

A WEEKLY FEATURE

I have $10,000 to invest in good bonds for the benefit of a widow who has to take care of five children. She has nothing besides this amount, which means that I have to be very particular in order to make a selection of first class bonds so that she may be perfectly safe as to the principal.

It is difficult to devise a satisfactory investment list for a widow with a number of children if, as we assume, living expenses must be met from the income from $10,000 invested to procure absolute safety. Possibly, however, there is other income in the household, so that the income from investments is not all the cash on which the family must live.

Bonds we have selected are as follows: Canadian Pacific Railway Collateral Trust 1934 to yield five per cent. Canada Cement Co. first mortgage to yield 5.28 per cent. Massey-Harris Co. first mortgage to yield 5.12 per cent. Montreal Tramways first mortgage to yield five per cent. Gatineau Power first sinking fund debentures to yield 5.84 per cent.

One Preferred Suggested

If an average yield slightly in excess of five per cent. is sufficient for the purposes of the family possibly the whole of this sum could be spread among these five bonds with a minimum of risk. If, however, a somewhat higher average yield is essential, we would suggest the purchase of a sound preferred stock up to, say, 20 per cent., or $2,000, of the total fund. Such a sound preferred is International Milling Company, which last year earned nearly six times the dividend requirements on this first preferred stock, and which, in normal circumstances, should earn not less than five times the preferred stock dividend requirements. International Milling Company operates flour mills on both sides of the international border. The company is well established, and the management is efficient.

Where immediate high income from investments is not an absolute essential we are of the opinion that an investment list should include at least one common stock. Moderate appreciation of capital and gradual increase in income from a sound common stock offsets in some degree the probable gradual decrease in income from bonds. As money becomes cheaper bonds will be called or otherwise retired, and the investor who requires the same income necessarily must seek a lower grade security. An investment list which includes a common stock, however, has a feature which offsets the factor of probable decreasing yield from bond investments. Montreal Power is perhaps the soundest Canadian common stock.

Reindeer Stock

I have been reading considerably recently in the papers of the Reindeer industry, and was interviewed the other day by a representative of the Dominion Reindeer Company with the object of investing in the company.

He showed me an article in the Agricultural and Industrial Progress in Canada which brought out very clearly the anxiety of the government to start such an industry in Canada, and which spoke well of this new company. Other information he produced also corroborated that statement, and seemed very convincing, but I thought I would get your views on the thing before considering it in the light of investment.

From the point of view of national welfare, it would be highly gratifying if a profitable industry were developed by the breeding of reindeer on lands in northern Canada. The Government justifiably has interested itself in the proposition, and the company which is transferring its activity from Alaska has been encouraged and, we understand, will be helped in a material way with the free grant of grazing lands along the west coast of Hudson's Bay.

Individual Canadians will hope that this enterprise is successful. But from the point of view of the investor we would be inclined to exercise caution. After all, the proposal is still in the promotion stage. Before it can be considered an investment the company will have to be able to exhibit a record of two or three years' earnings at least. It probably will be several years before the company shows a real profit on its operations, even if no obstacles, at present unforeseen, do not develop. Persons who buy the common stock of this company just now will have to wait for some little time even if every phase of the development is favorable. In the circumstances the immediate outlook for holders of the stock is not particularly good.

Unless you are actuated by patriotic motives or are willing to wait for several years in the hope that the proposition will become firmly established, we hardly could recommend this investment.

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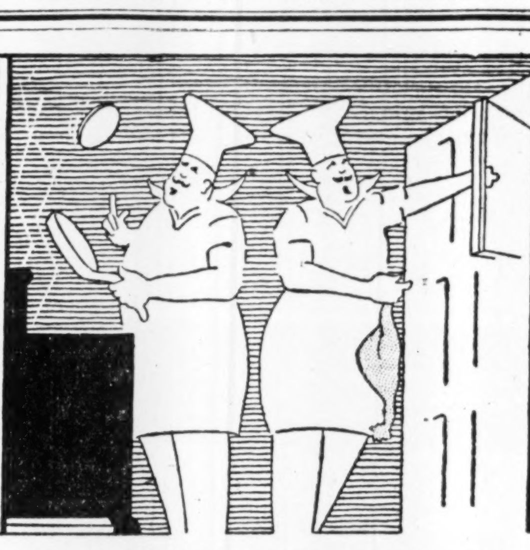

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DONNACONA EARNED LESS DURING 1928

While Profits Are Low, Financial Position Is Very Sound

From Our Own Correspondent

MONTREAL.—The annual report of the Donnacona Paper Company, covering the year ending December 31 last, reveals some decline in earnings. Net profits were only some $60,000 above bond and debenture interest, and depreciation requirements. The amount transferred to surplus account amounted to less than 30 cents a share on the 150,000 shares of common stock outstanding. The balance sheet position of the company, though, shows strength, although the net working capital is apparently not quite up to the level of a year ago.

No real comparison of the income figures and those of recent years is possible as the 1926 and 1927 balance sheets were not published. There was little investment interest in the company prior to the beginning of 1928 when it passed into Canadian hands. At that time, the securities of the company were offered publicly.

Profits in Prior Years

In 1928 operating profits amounted to $869,763 which compared with profits in 1925 of $828,558. When the company's securities were offered publicly at the beginning of 1928, it was stated that net earnings for only the 11 months period ending November 30, 1927, amounted to $930,582 and that the net current assets at that time were $1,624,273.

These figures compare not particularly favorably with the following account and working capital figures of the latest report:

	1928
Profits	$869,763
Interest	590,704
Depreciation	216,688
Surplus account	62,371
Working Capital	
Current assets	*1,697,797
Current liabilities	322,831
Working capital	1,375,466

*Not included in investments of $545,115.

In his remarks to the shareholders, John H. Price, the president, said that during the year certain improvements were made at the mill tending to increase its capacity and efficiency and consequent economy in operation.

Balance Sheet Position

The balance sheet reveals the satisfactory and sound ratio existing between current assets and current liabilities noted in the foregoing figures. Profit and loss stands at the surplus of 62,371 earned in 1928. The 150,000 shares of no par value common stock are carried at $3,000,000, but the company is able also to show a capital surplus of $1,388,543. In addition to the amount written off for depreciation in the income account, there is a reserve for plant extensions and betterments of $514,726.

In the assets, against its capitalization which includes a funded debt of $11,000,000, the company carries its fixed assets, less allowance for depletion, at $14,213,430. In addition, there are investments of $545,115 and the current assets show a satisfactory cash position with cash in the bank, on hand and at call standing at $269,914.

Cooksville Company Aided by Industrial Expansion

From Our Own Correspondent

MONTREAL.—Good progress is being made in the construction of the Cooksville Company's new plant at Delson, Quebec. It is expected that the plant will go into operation in the late spring. In addition to the manufacture of brick for the eastern market, a new product known as Haydite will be made. Haydite is a substance that can be used in the place of gravel in a concrete mix, and is said to have met with a good demand in the United States.

Constructional activity during the past year has been responsible for an active market for the products of the Cooksville Company. It is thought that earnings for 1928 will show an increase over those for the previous year.

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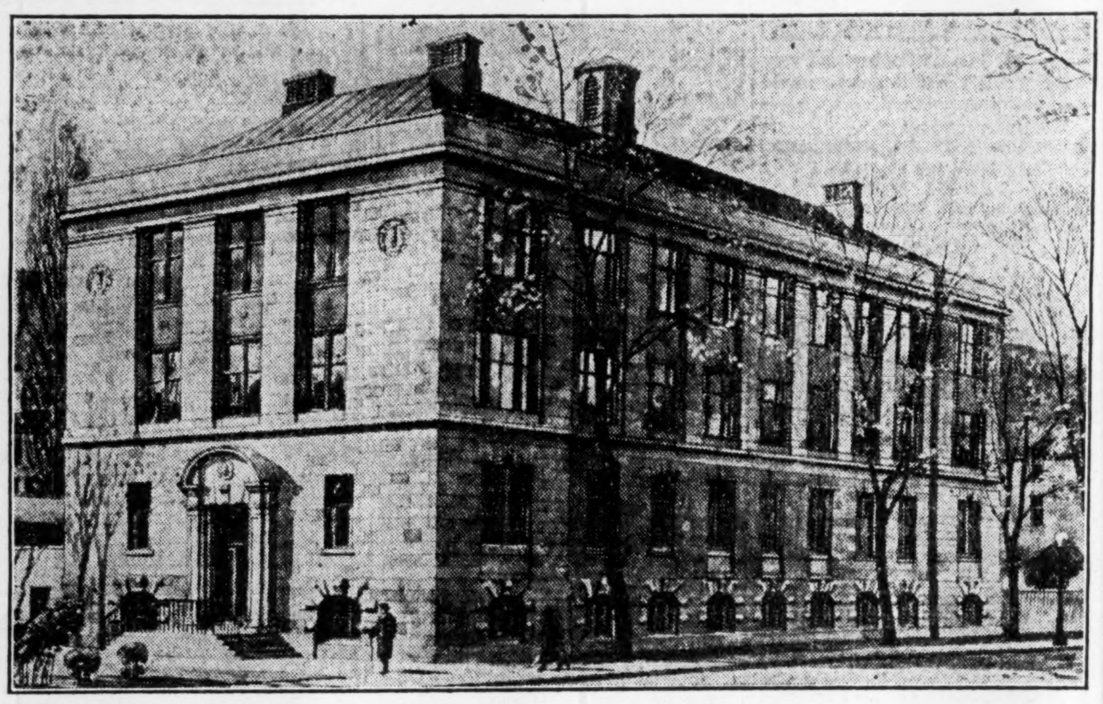

The Pulp and Paper Research Institute in Montreal was formally opened by His Excellency the Governor-General on January 25, the last day of the sixteenth annual meeting of the Canadian Pulp and Paper Association. The Institute will serve the pulp and paper industry in many ways. It is the headquarters of the Pulp and Paper Association. It houses the Forest Products Laboratories, whose equipment includes a small scale pulp and paper mill, capable of producing various grades of paper from newsprint to bank note stock.

C.P.R. STARTS YEAR WITH GOOD PROFITS

But Feature Market Course Depends Largely on Extent of Western Grain Crop

From Our Own Correspondent

MONTREAL. — That the Canadian Pacific Railway's earnings in December touched a new high peak for all time ensures that the annual report of the railway will make very pleasant reading for the shareholders, and in addition, indicates clearly that the grain carry-over and the general level of business will also provide satisfactory earnings during the first half of 1929.

But just how the Canadian Pacific shares will behave marketwise during say the concluding three months of 1929 seems to depend almost entirely on the results which the Western farmers obtain during the crop growing season. Buoyant or bearish markets during 1929 will obviously have a sympathetic effect on the price of C. P. R. shares. In the last analysis the investment possibilities of the stock rest almost solely on the success which may attend the Western farmer, for the C. P. R. is essentially a grain road and likely to remain so for many years to come. The largest proportion of its Canadian lines are located on the prairies and the Soo Line, its large United States subsidiary, operates in the middle West.

Attendu Engine Turned Down in United States

From Our Own Correspondent

MONTREAL.—The president of Attendu Engines has advised the shareholders of the company that the Attendu design will not be used in the construction of dirigible engines for United States navy. For some time, tests were carried out in the United States on the engines. Despite the fact that the president says that the decision in the United States is not necessarily a condemnation of the Attendu principle, yet the fact that the engines were turned down by the United States authorities can be only an extremely bearish feature in the outlook for the future of the organization.

There are other tests being conducted on the engine. Shareholders can expect to receive information on the results of the Buffalo tests shortly. Some small success has apparently been met with in the development of the engine in England, but no further steps are being taken toward carrying on development pending the result of the tests at Buffalo.

National Steel Busy

The National Steel Car Corporation, already in receipt of orders for $13,000,000 of new business, has recently received an order for 2,300 all-steel box cars costing in the neighborhood of $7,000,000.

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Brazilian Traction, Light and Power Company Limited.

(Incorporated under the laws of the Dominion of Canada)

To the Holders of the Ordinary Shares of
Brazilian Traction, Light and Power Company, Limited.

The Board wish to announce that the purchase of nearly all the ordinary shares of the City of Santos Improvements Company, Limited, (an old-established English company,) has recently been completed and there is thus added a large and growing public utility business to the enterprises controlled by Brazilian Traction, Light and Power Company, Limited.

The City of Santos Improvements Company, Limited, owns and operates the services of light and power distribution, manufacture and sale of gas, the water supply, and transportation by tramways and busses in the important City of Santos, Brazil, all of which services have been extended to and are in operation in the neighboring seaside town of Sao Vicente. The properties of the City of Santos Improvements Company, Limited, have been well operated and maintained and are in excellent physical condition. Santos, which is the port of the State of Sao Paulo and its extensive hinterland, is one of the most important seaports of Brazil, as may be gauged by the fact that the value of exports from Santos is well over 50 per cent. of the total exports of Brazil. Similarly of the total value of imports to Brazil close to 40 per cent. is through the port of Santos. Of the total coffee exported from Brazil nearly 70 per cent. passes through Santos.

Santos is about 50 miles by rail from the City of Sao Paulo, with which it is connected by the line of the Sao Paulo Railway Company, Limited, which is the neck of the whole railroad system of the interior, and the Sorocabana Railway Company is rapidly constructing an independent connection to the port.

The population served by the City of Santos Improvements Company, Limited, is about 165,000. Santos is not only a great shipping port but is developing rapidly as a manufacturing centre, and is only 7 miles distant from the Serra Development of our subsidiary, The Sao Paulo Tramway, Light and Power Company, Limited, with which it is interconnected. The telephone service in Santos has been owned and operated for many years by our telephone subsidiary, the Brazilian Telephone Company.

The acquisition of the shares of The City of Santos Improvements Company, Limited, calls for an expenditure of approximately $14,000,000, and in addition to this the rapid expansion of the other enterprises controlled by Brazilian Traction, Light and Power Company, Limited, call for considerable capital expenditure in the near future. Further large power units are shortly to be installed, one of 40,000 H.P. at the Parahyba plant in the Rio district, which has already been ordered, and one of probably 60,000 H.P. at the Serra plant in the Sao Paulo district. Considerable extensions are also necessary to the light and power distribution systems, including connection to a number of towns where the light and power properties have been recently acquired. Also other services of the Company's subsidiaries call for a large amount of additional capital outlay to meet the growth of business.

In order to meet the capital requirements referred to above and for working capital, etc., the Board have decided to offer to the holders of the ordinary shares of the Brazilian Traction, Light and Power Company, Limited, including the holders of share warrants to bearer, additional ordinary shares of no par value (forming part of its unissued ordinary share capital) on the basis of one share of additional stock for each seven shares held, at a price of $40 per share. Details of this offer are set forth in the accompanying circular letter to the Shareholders.

At a recent meeting of the Board a quarterly dividend of 50c. per share was declared on the issued ordinary shares, payable on 1st March, 1929, to shareholders of record on 31st January, 1929.

MILLER LASH,
President.

Toronto, Canada,
January 25th, 1929.

NOTE: Copies of the above mentioned circular to the ordinary shareholders containing terms and dates of subscription and payment may be obtained at the Company's office, 357 Bay Street, Toronto, or at the office of National Trust Company, Limited, Toronto or Montreal.

PACIFIC COAST INVESTORS GET ALLURING LETTER

"Mystery" Stocks Often Turn Out "Misery" Stocks

A number of investors and others on the Pacific Coast have recently been receiving a letter purporting to come from a reputable brokerage house in the United States. The letter advises purchase of certain stocks. The writer details a number of issues which he says his firm advised purchasers to take up and which have since appreciated in value. There is no means of checking such statements, however, as none of the names of successful purchasers are given.

Another clause of the letter touches lightly on several "mystery" stocks, which are also recommended as good buys. The idea is that the client sends some money and the firm responsible for the letter buys some stock—the name of which is not mentioned—the stocks go up and everyone has a fine time. The brokerage firm of course is not interested in the stock in question and gets nothing more than brokerage charges for its service. At least that is the inference.

Often Unload Worthless Stock

Investors have been mulcted of millions of dollars by unscrupulous organizations in the United States which have talked of mystery stocks. Some of them have gone so far as to get their so-called clients to send the money to buy stock which has not been named. This is not always the case with such letters as the one referred to above, but incidents are not unknown where clients have been given information on good stocks and after they had made some quick profits had put these profits and some additional funds into a recommended stock which promptly receded in value.

This is a favorite method with the so-called broker to unload his own holdings of a worthless stock on his clients. Of course, after such a singeing, the clients will have nothing further to do with him but a new list can be immediately compiled from the 140,000,000 people who live on the North American Continent.

Branch Manager

J. ROSS MacLEOD,
appointed manager new Quebec city branch office opened by Williams, Partridge & Rapley, investment bankers.

Order New Locomotives

Twenty monster oil-burning locomotives of special design, for use across the Rockies and the lesser ranges of British Columbia have been ordered by the Canadian Pacific Railway from the Montreal Locomotive Works. These engines, known as "2-10-4" type—will combine, in high degree, strength and speed, and when placed in service will free much other traction equipment from the mountain sections for use elsewhere on the Canadian Pacific lines. The new engines with tenders measure 97 feet and weigh 725,000 pounds, or 78 times that of Stephenson's historic "Rocket."

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The entire issue having been sold, this advertisement appears as a matter of record only.

NEW ISSUB

$850,000.00

Ontario Silknit Limited

7% Cumulative Preferred Stock
With Common Stock Purchase Warrants

Dividends payable quarterly on the fifteenth days of March, June, September and December. The Preferred Shares are redeemable at the option of the Company as a whole or in part at any time on not less than sixty (60) days' notice, at $110.00 per share and accrued dividend.

Transfer Agent: The Imperial Trusts Co. of Canada
Registrar: The Toronto General Trusts Corporation

CAPITALIZATION

	Authorized	*Issued*
7% Cumulative Preferred Stock (Par Value $100 per Share)	$1,500,000	$850,000
Common Stock (No Par Value)	100,000 shares	40,000 shares

This capitalization is subject to a liability of $138,125 in the form of a mortgage upon one of the Company's properties.

COMMON STOCK SUBSCRIPTION WARRANTS—Each certificate of Preferred Stock carries a non-detachable subscription warrant entitling the holder thereof to subscribe on or before July 1st, 1931, for Common Stock of the Company at $20 per Share in the ratio of One Share of Common Stock for each Share of Preferred Stock represented by such certificate.

Mr. M. H. Epstein, President of the Company, summarizes his accompanying letter to us as follows:

THE COMPANY—Ontario Silknit Limited was incorporated under the Dominion Companies Act in June, 1928, to acquire from a Company of the same name all its business, properties, plants and undertakings. This business was founded in 1922 and has grown to be the largest manufacturer of Rayon products in the Dominion of Canada. The Company's products, including "MAYBELLE" Lingerie, Dresses, etc., are nationally advertised and are sold from Coast to Coast. In addition to an export business, the Company, through wholly-owned subsidiaries, operates Rayon knitting plants at Sydney, Australia, and in Mexico City, Mexico. It also owns and operates through the Summit Dyeing Company Limited, in Toronto, Canada, a silk weighting and dyeing business and has among its customers many of the larger Canadian Silk importers.

ASSETS—Based on an appraisal by the Sterling Appraisal Company Limited, as at February 7th last, plus additions to March 31st, the land, buildings, machinery and equipment had a depreciated value as at March 31st, 1928, of $713,969.36. Net current assets, after giving effect to the financing mentioned above as at March 31st, 1928, according to the Balance Sheet certified to by Messrs. Price, Waterhouse & Co., after deducting all current liabilities, were $592,894.31. Investments in and advances to associated Companies at the same date were carried on the Company's books at $203,775.53. Net assets as at March 31st, 1928, are therefore $1,372,514.20, equivalent to $161.00 per Share of Preferred Stock after deducting the amount of a mortgage outstanding. Since that date $129,960.49 has been spent on buildings, plant and equipment, an amount but little in excess of net earnings during the same period.

EARNINGS—Net earnings as certified by Messrs. Price, Waterhouse & Co., after deducting full operating charges, maintenance, depreciation of buildings, equipment and machinery, Federal Income Taxes at the current rate, and after allowing for saving in interest charges arising from the additional capital provided by the aforementioned financing for the three years ending December 31st, 1927, and for the three months of the current year to March 31st, 1928, of the Canadian business only, were:

Year 1925	$ 73,688.97
Year 1926	89,466.40
Year 1927	120,713.14
Year 1928 (three months)	41,799.04

While these earnings show a satisfactory and consistent growth, they only in part reflect the potentialities of the business. Substantial expenditures in development work have been made which are only now commencing to be reflected in sales and earnings. This is indicated in the large increase in sales for the first nine months of this year over the corresponding period of 1927, an increase amounting to 49 per cent. The consolidated profits for the first nine months of 1928 show even a greater percentage of increase over the corresponding period in 1927. The indicated earnings for this period, 1928, after providing for depreciation and Federal Income Tax at current rates, are $150,000.00, or at the rate of $200,000.00 per year. *This is equivalent to $23.50 per share on the 8,500 Preferred Shares outstanding, or about 3½ times dividend requirements. After payment of preferred dividends for the year, there would be available for the common stock $3.50 per share.*

PREFERRED STOCK PROVISIONS AND RESTRICTIONS—The Preferred Shares are of $100 Par Value and entitled to receive cumulative dividends at the rate of Seven per cent (7%) per annum payable quarterly on the fifteenth days of March, June, September and December. The holders of the Preferred Shares are not entitled to vote at meetings of shareholders except and if four (4) quarterly dividends are in arrears; during such time each share shall be entitled to one vote. The Company shall not, without the consent of two-thirds per centum in value of the holders of the Preferred Shares present or represented by proxy at a meeting specially called for the purpose create any additional preferred shares ranking equal to or in priority to the authorized issue of $1,500,000 par value Preferred Shares or, without such consent or approval, create any mortgage, lien or encumbrance on the assets of the Company or authorize or issue any bond, debenture or other evidence of indebtedness maturing more than one year from the date thereof. The foregoing restrictions, however, do not apply to existing mortgages on the Company's properties or to purchase money mortgages or liens on properties subsequently acquired or to securities given to the Company's bankers in the ordinary course of business.

MANAGEMENT—The management will continue in the hands of those who have been responsible for the organization and growth of the business. The Board of Directors includes M. H. Epstein, President Ontario Silknit Limited; Elly Marks, Partner A. L. Hudson & Co., members New York Stock Exchange; A. R. Greene, Silk Importer; W. B. Milner, Harley, Milner & Co.; C. H. Burgess, President C. H. Burgess & Co., Limited, Director Sterling Trusts Corporation.

GENERAL—Rayon, although a comparatively new textile product, has during the last few years become firmly established in the textile world. World production has grown from 1,500,000 lbs. in 1901 to 265,900,000 lbs. in 1927, and now substantially exceeds production of real silk. Recent statistics show that in the manufacture of Lingerie, the use of Rayon has forged ahead of all textile products including cotton and pure silk.

While the greater part of the Company's sales are as yet within the Dominion of Canada, the businesses in Australia and Mexico recently established, are showing a satisfactory growth in volume and earnings. Combined sales of the Company and its subsidiaries for the first nine months of the current year were $1,670,393.94 as against $1,128,533.63 for the same period in 1927, and orders booked to date indicate that sales for the balance of the current year will continue to increase.

The industry as a whole shows every indication of continued growth in which this Company, with a position firmly established, should very largely share.

All legal proceedings are subject to the approval of Messrs. Tilley, Johnston, Thomson & Parmenter, Toronto, for the Company, and Messrs. Malone, Malone, Sedgewick & Montgomery, Toronto, for the Bankers.

Price: $100 and accrued dividend

It is proposed to make application in due course to list the preferred and common stock on the unlisted department of the Toronto Stock Exchange.

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The statements advertised in this circular are not guaranteed, but are based upon information which we believe to be reliable.

All Parts of Canada Saw Improved Trade in 1928

With Complete Record of Business by Economic Areas Now Available, Year's Fine Results Stand Out

By SYDNEY B. SMITH

Business activity in Canada is being currently maintained at about the highly satisfactory level of the latter half of 1928 according to an index based on seven factors computed for Canada as a whole and for each of the five economic areas. The index for Canada was maintained at 120.9 in December being the same level as in the preceding month. As the monthly average for 1926 is used as the base equalling 100 it will be appreciated that business operations in Canada have shown the notable advance of 20.9 p.c. in the last two years. This percentage is obtained by averaging seven prominent factors after adjustment for seasonal tendencies. The information used in this connection includes construction contracts awarded, building permits, output of hydro electric power, employment, bank debits, sales of insurance and commercial failures.

The indexes compiled for each of the economic areas indicate that in December, compared with the preceding month, business was less active in the Maritimes and in the Prairie Provinces, was practically maintained in Ontario and Quebec, and showed further expansion in British Columbia.

Marked Improvement in Year

Although the record of any given month as compared with the preceding one is suggestive of the current trend, it is thought that a more definite result may be deduced as to the course of national progress by comparing the results for a longer period. The information for 1928 is now complete and the table of comparison with the preceding year makes a colorful picture of rapid advance. The evidence presented by six of the factors considered in this connection is unanimous in acclaiming the marked improvement enjoyed throughout Canada in 1928. Not only did each of the six indexes for Canada and the five economic areas show a pronounced gain over 1927, but the increase in each of the six factors was practically general throughout each of the economic areas, therefore showing substantial gains in the aggregate for the whole Dominion.

Big Jump in Maritimes

The building industry was in a flourishing condition throughout 1928. The value of awarded contracts was $472,000,000, an increase of 12.6 p.c. With the exception of Ontario which showed the moderate decline of less than four per cent., gains were general in the economic areas. The increase in the Maritime Provinces was 281 p.c., largely accounted for by the pulp and paper development on the Mersey River in Nova Scotia, and the expansion in Northern New Brunswick indicates that a high level will be maintained in 1929. Increases in the Prairie Provinces and in British Columbia were 31 p.c. and 25 p.c., respectively, suggestive of the power, mining and industrial expansion now apparent in Western Canada.

The gain in urban building was even greater than in general construction, the value of building permits being $220,000,000, an increase of more than 19 p.c. Each of the areas showed an increase except Quebec where the construction of an exceptionally large building in Montreal, commenced in the summer of 1927, threw the records of 1928 in an unfavorable light. The increase in the Maritime provinces was 32 p.c., and the Prairie Provinces showed a gain of 64 p.c. The permits granted in Ontario were valued at $105,000,000, an increase of about 30 p.c. The gain in British Columbia was nearly 19 p.c., representing mainly the growth in Vancouver.

Power Industry Grows

The expansion in the power industry was also one of the significant features of the year. The output in 1928 was 15,674,000,000 kilowatt hours, an increase of nearly 12 p.c. Quebec was in the vanguard as far as the output and the increase over the preceding year were concerned. Nearly one half of the Canadian output during 1928 was produced in Quebec, and the increase over 1927 was 19.6 p.c. The gain in the Maritime provinces was nearly 16 p.c. The development at Grand Falls on the Upper Saint John River, the largest power resource in the Maritime provinces, added to the output in the last quarter of 1928, and will be a factor in the output records of 1929. The increase in the output of hydro electric power in the Prairie Provinces was 11 p.c., and the gain in British Columbia was somewhat greater. The annual output in each of the Western areas was in excess of 1,000,000,000 kilowatt hours for the first time.

Employment Figures Good

The index of employment averaged 6.7 p.c. higher in 1928 than in the preceding year. Increases were shown in each of the economic areas. As the general index of employment conditions is a factor which according to the experience from 1920 to the present, is not subject to extreme fluctuation, the percentage gains over 1927 are not as great as one would expect when the trends of the other factors are considered, but the increase of 12 per cent. in the Prairie Provinces leaves little to be desired. Employment in Ontario showed an increase of 7.7 p.c. and the index for Quebec averaged 4 p.c. higher. The index of employment in the Maritime Provinces was nearly 3 p.c. greater than in the preceding year.

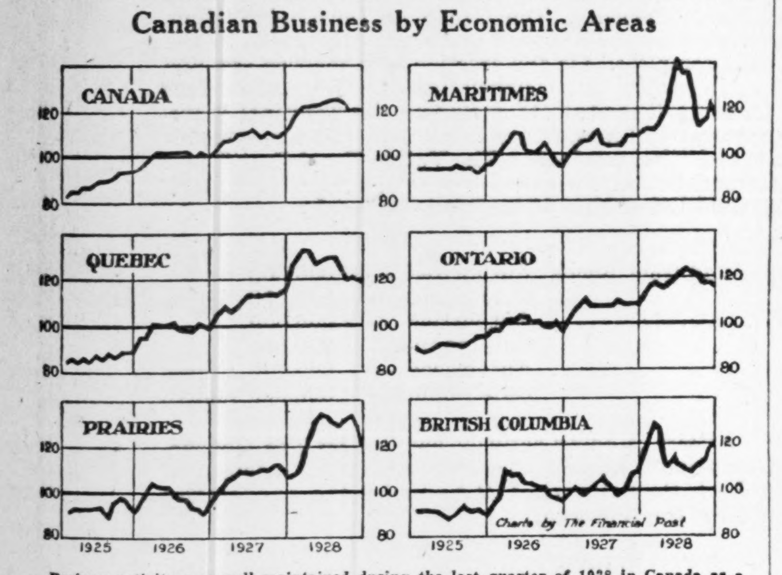
Of the seven factors considered here the percentage expansion in bank debits was greater than in any other. The total value of bank cheques cashed in the cellaring centres of Canada during 1928 was $43,477,000,000, an increase of 20.5 p.c. over the preceding year. Gains in each of the three eastern areas were more than 18 p.c. The Prairie Provinces were up 30.6 while British Columbia showed a gain of 21.5 p.c. These remarkable advances in the value of business transacted though influenced by the high level of speculative trading, are significant of the widespread expansion in business enterprise in the year under review.

The increase in the sales of ordinary life insurance also point in the same direction. Fifteen companies doing 84 p.c. of the Canadian business, sold insurance to the amount of $575,850,000 in 1928, the gain over 1927 being 15 p.c. The increase in the Prairie Provinces was 21.6 p.c. and important gains were shown in Quebec, Ontario and British Columbia.

The official record of commercial failures was unfavorable in 1928 compared with the preceding year, the increase in the number of assignments being 9 p.c., according to the annual compilation. Failures in British Columbia showed a decline while increases were shown in the other areas. The evidence presented by bankruptcy returns is adverse to the trend of the remaining six factors and may be due to the more rigid administration of the Bankruptcy Act in the past year. The adverse result of the commercial failures record tends to throw some discredit on the barometric nature of the factor.

With the complete compilation of the index of business activity for the year 1928 before us, it is easy to be an optimist in regard to Canadian business conditions. The general index for Canada showed an increase of 10.6 p.c. over 1927. Gains in the Maritime Provinces, Quebec and British Columbia ranged between 12 and 13 p.c. Ontario showed a gain of 9.8 p.c. and the index for the Prairie Provinces showed the greatest gain of all at 16 p.c.

Canadian Business by Economic Areas



Business activity was well maintained during the last quarter of 1928 in Canada as a whole, and in most of the economic areas according to an index constructed from seven factors with geographical distribution. The index for Ontario showed an increase of nearly 10 per cent. last year compared with 1927. Ontario took the lead over any other economic area in the amount of construction contracts, building permits, employment, bank debits and sales of insurance. Building permits in Ontario during 1928 were up 30 per cent., electric power 3 per cent., employment nearly 8 per cent., bank debits 18 per cent, and sales of insurance nearly 17 per cent. This record of achievement during 1928 speaks for itself and is more eloquent than many pages of descriptive matter.

Canadian Surety Co. Paid 9% Dividends

In its recently issued annual report, the Canadian Surety Company of Toronto, stated that the company had paid dividends totalling 9 per cent. for the year 1928. The profits of the company amounted to over $57,600.

The company reported an increase in total assets of more than $36,000 which brought the total up to about $941,000. The invested funds of the company have also been added to and the book value now aggregates $774,000, which is less than the market value by about $24,000.

Seventy-two new representatives were appointed in Canada and Newfoundland during the year.

PEEL MUTUAL HEARS 43rd ANNUAL REPORT

With a total of 6,321 policies in force, the Peel Mutual Farmers' Insurance Company has losses amounting to $48,270, the majority being from fires during the latter months of 1928. Insurance in force was reported as $22,970,000, with a surplus on hand of over $77,800. Liabilities, consisting of unearned premiums, amounted to $36,375.375.

The company has a bank balance of over $27,000 and bonds to the amount of $10,600 were purchased during the year. The receipts in first payments were more than $54,700. The report was presented at the 43rd annual meeting.

J. A. Fletcher was re-elected director, and A. Hewson polled 380 votes in a contest for the other vacancy.

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on broadcloth and Wabasso Rainbow silks
The Wabasso Cotton Co[illegible]
Three Rivers, Que.

THE OTTAWA MAR[illegible]
FORGES ahead!

New Departmental Building

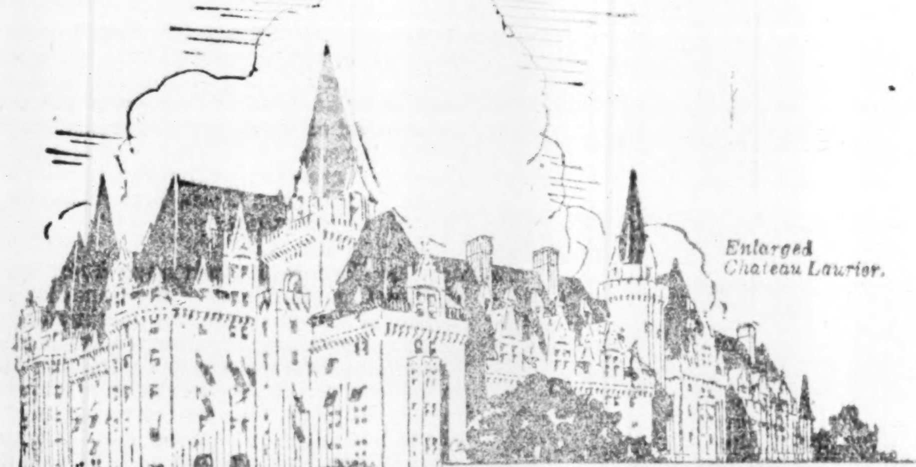
STEADILY and consistently the Ottawa market forges ahead. There is every reason why it should grow. Within a close radius of the city a total of over a million horse-power of water power development is available—and it is rapidly being harnessed. Immense forests reaching back from the Ottawa, Gatineau and other rivers have merely begun to pour their wealth of lumber and pulpwood into the coffers of the nation while the rich agricultural area around Ottawa will prosper because industry close at hand supplies a ready market for its products.

New Buildings rise in Ottawa

Building activity in Ottawa has considerably more than doubled since 1926. Last year showed an increase of $1,000,000 over 1927, while 1929 will show another decided increase.

Many outstanding undertakings under way or just completed deserve especial mention.

A huge $2,500,000 Departmental Building will soon rear its head in the midst of Ottawa. An impressive Medical Arts Building is also nearing completion. Two large new apartment buildings are in course of construction; an immense new wing to the Chateau Laurier will be opened early in March. A magnificent head office building for the Metropolitan Life, the largest insurance company in Canada, was completed last year.


Enlarged Chateau Laurier.

Ottawa's recent power developments surpass all records

Over 1,000,000 horse-power of potential electricity is available within the city limits and within a close radius; and 719,500 horse-power of this has already been developed.

Recent power developments of the Gatineau Power Company on the Gatineau River are among the most important in the whole Dominion. Two of these developments, at Farmers and Chelsea, have been in operation over a year. These are within six miles of the city of Ottawa. The third station at Paugan came into operation on October 1st. The combined capacity of the generators in these power houses now running or in course of installation is 436,000 H.P. with a designed capacity of 684,000 H.P.

Power Development on the Gatineau River.

The Pulp and Paper Industry around Ottawa Grows

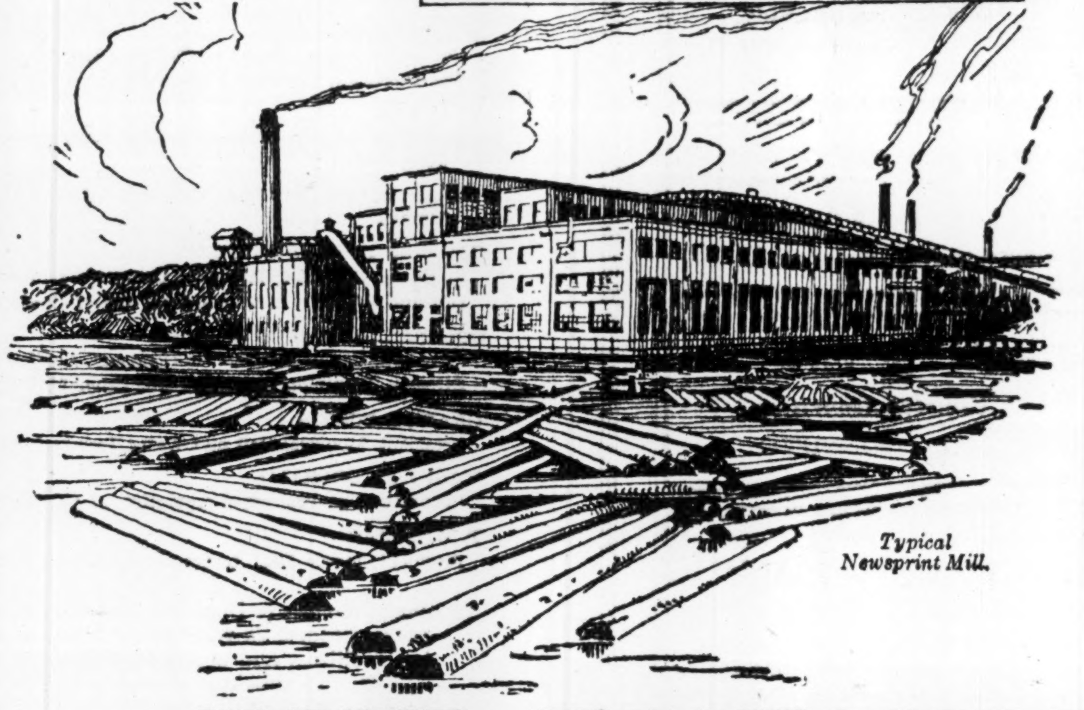
Two miles below the confluence of the Gatineau and Ottawa Rivers is the new Gatineau newsprint mill, with a capacity of 600 tons of paper a day. The four paper machines in this mill are the largest single producers thus far installed in the world.

Adjacent to this mill, there has been built a fibreboard mill with a capacity of fifty tons a day. This is the largest mill of its kind in the British Empire.

These new developments are merely recent additions to the greatest lumbering district in the world, of which Ottawa is the distributing centre.

23% increase in employment of industrial labour

So great has been the industrial expansion of Ottawa in recent years that even the winter employment of 1927-28 averaged higher than the midsummer employment of 1926. From April to July 1928 the number of workers employed in Ottawa increased by 23%.


Typical Newsprint Mill.

A thorough coverage of this field is offered advertisers by the Citizen. Its consistent gain in advertising lineage over a long period of years is the best evidence of the wealth and responsiveness of the market it covers. During 1928 The Citizen carried 2,651,063 lines of National Advertising. Compared with the corresponding periods of previous years this was a gain of 12 per cent over 1927, 29 per cent over 1926 and a gain of 50 per cent over 1925. Incidentally during 1928, The Citizen refused 408,644 lines of advertising that was considered undesirable.

THE EVENING CITIZEN
(With Morning Edition)
A SOUTHAM NEWSPAPER
OTTAWA CANADA
Consult your advertising agency

BRANCH OFFICES FOR CONVENIENCE OF NATIONAL ADVERTISERS:
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F. W. THOMPSON, 100 King St. West, TORONTO
FRANK E. PAYSON, Room 606, 850 Hastings St. West, VANCOUVER

DOMINION TEXTILE CO., LIMITED
PRUE COTTONS
MANUFACTURING
ALL LINES OF WHITE AND GREY COTTONS, PRINTS, SHEETINGS, SHIRTINGS, PILLOW COTTONS, LONG CLOTHS, CAMBRICS, DUCKS, BAGS, TWILLS, DRILLS, QUILTS, BUREAU COVERS, TOWELS AND TOWELLING, YARNS, BLANKETS, RUGS, TWINES, NARROW FABRICS
AND NUMEROUS OTHER LINES USED BY MANUFACTURERS IN RUBBER AND OTHER TRADES.
MONTREAL TORONTO WINNIPEG VANCOUVER

Canadian National Railways
Department of Natural Resources
Write us for reliable, up-to-date information on Canada's natural resources.
Our highly developed channels of information render the Department of Natural Resources particularly well-qualified to perform this free service to those interested in mining, forest and waterpower resources, etc.
Offices at—
New York
Winnipeg
Edmonton
Vancouver
C. PRICE-GREEN
Commissioner
C.N.R. General Offices
360 McGill Street,
Montreal, P.Q.

THE
WINNIPEG MERCANTILE
TRUST COMPANY
EXECUTOR, ADMINISTRATOR, TRUSTEE
A. P. Cameron, Manager
431 MAIN ST., WINNIPEG

C. H. ENDERTON & CO.
Established 1890
Real Estate Investments, Mortgage Loans, Insurance, Rentals, Stocks and Bonds
Members Winnipeg Stock Exchange
222 Portage Avenue,
WINNIPEG

Frank R. Logan & Company
LIMITED
General Insurance Agents
Real Estate Financial Brokers
REGINA, SASK.

A
TRUST COMPANY
that has been selected by several Judges to act as Executor of their Wills must be a competent Executor. Such a Company is
The
Standard Trusts Company
Head Office: 346 Main Street, Winnipeg
Branches:
Saskatoon, Edmonton, Lethbridge
Vancouver

Brook & Allison
Farm Lands and City Property, Loans and Insurance, Rental Agents
Established 1907
REGINA, SASK.

Anderson, Lunney & Co.
LIMITED
Real Estate, Loans and Insurance.
Established 1901
1819 Cornwall Street,
REGINA, CANADA

VWO
BRITISH
COLUMBIA
SECURITIES.
VICTOR W. ODLUM
& COMPANY
303 PENDER STREET WEST
VANCOUVER, B. C.

Calgary, Alberta
Stock, Bond and Grain Brokers
Industrial Financing
Carlile & Farr Ltd.
Private wire to all markets.
Correspondents of
Osler & Hammond

Private Wire Connection to New York, Chicago, Winnipeg, Montreal, Toronto, and Vancouver.
G. F.
TULL & ARDERN
LIMITED
STOCK, BOND, GRAIN and FINANCIAL BROKERS
LANCASTER BUILDING
CALGARY, Alberta

REGINA
Inside Property Trackage
Rentals and Insurance
WALLACE & MILNE
401-402 Darke Block
REGINA - SASK.

Western Investments
Those who have investments in British Columbia, with which they are not familiar, may write to us for independent reports or valuations.
Our organization covers every section of the province.
Pemberton & Son
Vancouver Limited
418 HOWE STREET
Vancouver, Canada

Exporters Number 1,690

A recent survey of Canadian industries shows 6,500 groups of articles fully or partially manufactured in the Dominion, while approximately 1,690 Canadian firms are active exporters.

Automobile Industry in Canada

CANADIANS BOUGHT 210,000 NEW CARS DURING PAST YEAR

Despite Ford's Shut-Down New Production Record Achieved

With such an important factor as Ford out of the picture for practically half the year, the production of motor vehicles in Canada during the calendar year 1928 reached a new high water mark of 242,382 units, with a record sales value f.o.b. plant of $151,826,338. In the light of present day prosperity and with all factories on full production schedules the automobile manufacturers are looking forward confidently to shattering all previous production marks during the current year.

The output for 1928 was 18 per cent. greater in number and 24 per cent. higher in value than in 1926, the next best year, when 204,727 cars valued at $122,629,537 were produced. In 1927 the output was 179,054 cars valued at $115,904,228.

Other High Records

Other records were also made in 1928. Motor vehicles made in Canada for domestic consumption reached a new "high," while the number of vehicles imported and exported also were in excess of previous high levels. Imports for the year totalled 47,408 cars, an increase of 29 per cent. over the corresponding figure of 36,630 cars in 1927, and exports numbered 79,855 cars, or 38 per cent. more than the total of 57,852 shipped in the preceding year.

By adding to the Canadian production of 242,382 cars the import figure of 47,408, and deducting the 79,855 cars exported, the apparent consumption of motor cars in Canada would appear to be 210,035. Corresponding figures for other years were 157,832 cars in 1927 and 158,577 cars for 1926.

One New Car to 40 People

Increased production in 1928 applied generally to all models of cars, but not to trucks. Open models rose to 40,673 from 37,585, closed cars to 134,402 from 99,694, and chassis to 60,795 from 12,161, while 44 taxicabs or buses were made compared with 11 in the previous year.

Taking the population of Canada as 9,658,000 and with the production figure established at 242,382, it follows that in 1928 Canadian automobile manufacturers made one new car for every 40 persons in the Dominion. In 1927 the figure was one car to 53 persons; in 1926, one to 46, and in 1925, one to 57.

F. W. Doner in Charge of Willys Ontario Sales

Hinging upon the departure of H. C. Hersey, manager of the Toronto branch of Willys-Overland, who is going into business for himself as a dealer in Willys-Overland and Willys-Knight cars, certain staff promotions are announced by the parent company.

A. Maclure, formerly assistant manager of the Toronto branch, a young aggressive executive, becomes manager of the branch. He has been associated with Willys-Overland Sales Company, Limited, since 1919, and has had a wide experience throughout the retail field.

A. MACLURE

Victor Murray is promoted to management of retail sales for Toronto of the commercial car division. He relinquishes the office of service manager of the Toronto branch to accept this new position. He has been connected with the automotive industry since 1920.

F. W. DONER

The position of Ontario sales manager of the Willys-Overland Sales Company has been allotted to F. W. Doner, who has been in the service of the company for ten years. Mr. Doner was sales supervisor for Northern and Eastern Ontario, and prior to that held various executive offices in the company.

Hatchery Work Growing

Nearly twice the amount of the previous year's distribution of fish eggs and fry, a total of 556,000,000 is announced for 1928 by the Department of Fisheries. This record figure includes millions of salmon eggs and fingerlings for British Columbia and Atlantic coast spawning grounds, as well as large stocks of trout and whitefish for the Middle West.

Motor Cars in Canada Increase 132,000 in Year

The steady growth of the automobile industry in Canada is clearly demonstrated in the following comparative figures of total motor vehicle registrations since the year 1920. It will be noticed that ownership of automobiles has more than doubled since 1922.

Year	Total Regs.	Inc. Over Prev. Year	% Gain
1920	415,268	78,462	23.2
1921	463,848	48,580	11.7
1922	514,657	50,809	10.9
1923	585,079	70,422	13.6
1924	650,231	65,152	11.1
1925	728,005	77,774	11.2
1926	819,138	91,133	12.6
1927	939,024	119,886	14.6
1928	1,070,908	131,884	14.04

Thus it will be seen that, in addition to passing the much coveted million mark, the largest numerical increase also was recorded. What will the current year accomplish? It has started under more rosy auspices than its predecessor.

1928 Registrations by Provinces

	Passenger Cars	Commercial Vehicles	Motorcycles
British Columbia	70,627	14,329	1,046
Alberta	78,302	9,846	346
Saskatchewan	102,812	16,822	....
*Manitoba	63,000	7,000	....
Ontario	429,426	55,426	3,197
Quebec	126,343	21,747	2,263
*Nova Scotia	30,.47	4,569	....
New Brunswick	25,180	2,730	146
*Prince Edward Island	4,958	446	....
	132,915		
	6,998		
	1,070,908		

*Interim figures only available.

How Registrations Have Grown

	1925	1926	1927	1928
British Columbia	55,605	72,931	77,575	86,002
Alberta	.3,454	64,775	72,364	88,494
Saskatchewan	77,936	95,804	104,909	119,634
*Manitoba	54,131	56,875	62,127	70,000
Ontario	338,426	373,004	435,466	488,049
Quebec	95,328	103,004	128,104	150,353
New Brunswick	18,777	23,728	24,290	28,056
*Nova Scotia	21,610	25,569	29,824	34,916
*Prince Edward Island	2,939	3,448	4,365	5,404

*Interim figures only available.

Motor Car Registrations Pass One Million Mark

Passenger Cars Alone Should Pass Million Mark During Current Year — Post Compiles Preliminary Figures

As was freely predicted at the beginning of the year 1928, registrations of motor vehicles for last year passed the million mark in Canada. Figures secured from the provinces by The Financial Post, (some of which, it is true, are as yet interim compilations), disclose that in 1928 there were 1,070,908 motor vehicles of all types in operation on the roads of the Dominion. This is an increase of 131,884 over the previous year, or approximately 14.04 per cent.

Passenger car registrations jumped from 827,694 to 930,995, an increase of 103,301, and should pass the million mark easily before the end of the current year. An equally satisfactory gain was made in motor truck registrations, which increased from 104,987 to 132,915, furnishing irrefutable evidence of the stability of the motor trucking industry in this country. Motorcycle registrations increased 655 from the 1927 figure of 6,343.

It is a striking commentary on the general prosperity of the country that every province showed a substantial gain last year in passenger and commercial car registrations over 1927, which, in turn, had shown gains somewhat smaller over 1926. Figures, as a rule, are "dry" fodder, but the 1928 registrations reflect so rosily the glow of prosperity that the temptation is too strong to resist presenting the results of delving into percentages and comparisons. Some of the latter are given in the accompanying tables. Here is a table showing the provincial increases:

Province—	Increase in total regs. over 1927	Percentage increase in total regs.	Percentage increase in pass. cars	Percentage increase in comm. cars
British Columbia	8,427	10.08	11.06	10.11
Alberta	16,130	22.29	16.24	96.76
Saskatchewan	14,725	14.04	10.98	37.11
Ontario	52,583	12.07	10.99	22.07
Manitoba	7,873	12.67	10.70	34.20
Quebec	22,249	17.37	17.33	19.43
New Brunswick	3,766	15.50	12.97	36.43
Nova Scotia	5,092	17.07	15.90	25.52
Prince Edward Island	1,039	23.80	20.05	89.80

While Ontario continues to dominate the unit increase with a mark of 52,583, there are certain remarkable features in connection with the other provinces. There is tangible evidence, for example, of the great spending power of the prairie provinces, particularly for automotive machinery for their agricultural activities. Alberta practically doubled its commercial car registrations with an increase from 5,004 to 9,846. Saskatchewan and Manitoba each showed a gain of more than one-third over 1927 in commercial cars in use. In all three provinces there was a healthy increase in the passenger cars registered, Alberta leading with a gain of 16.24 per cent.

Eastern Canada is also in the happy position of showing a satisfactory all-round increase in registrations of motor vehicles, and shows improved spending power over the previous year. This situation is gratifying, especially in the Maritime provinces, where industrial conditions have been in a doubtful state for some years. For instance, in New Brunswick, the increase in 1928 over 1927 was 15.50 per cent., while the 1927 gain over 1926 was only 2.40 per cent. Nova Scotia has also made a better showing, the comparative increases for 1928 and 1927 being 17.07 per cent. and 16.60 per cent.

ALCO-METER SERVICE
tells you exactly how much
MAPLE LEAF
ANTI-FREEZE
you require in the radiator of your car, truck or tractor, to keep it from freezing.
Sold at all leading garages, service and filling stations.
TRADE MARK
CANADIAN INDUSTRIAL ALCOHOL CO., LIMITED
Distributing Warehouses
Montreal, Toronto, Winnipeg, Vancouver

EDWARDS & AMES
ESTATE AGENTS
MORTGAGES
VALUATIONS
GROUND LEASES
BUILDING MANAGEMENT
620-624 Pacific Bldg.
Vancouver, B. C.

Macaulay, Nicolls, Maitland & Co., Ltd.
Insurance, Financial and Estate Agents
A generation of experience in Vancouver, B.C.

T. R. BILLETT & CO.
Stocks and Bonds Unlisted Securities
214 CURRY BUILDING - - WINNIPEG

The Weyburn Security Bank
Chartered by the Act of the Dominion Parliament
THIRTY BRANCHES IN SASKATCHEWAN
HEAD OFFICE - WEYBURN, SASK.
DIRECTORS:—Alex. Simpson, Pres., Minneapolis, Minn.; Jos. Mergens, Vice-Pres., Weyburn, Sask.; J. A. McBride, Weyburn, Sask.; M. A. Miller, Weyburn, Sask.; O. H. Hellekson, Minneapolis, Minn.; N. D. McKinnon, Weyburn, Sask.; H. O. Powell, Gen. Mgr., Weyburn, Sask.
A General Banking & Foreign Exchange Business Transacted

William E. Reid Co. Ltd.
Investment Bankers
Stocks, Bonds and Grain
635-639 Grain Exchange
WINNIPEG
MEMBERS
Winnipeg Stock Exchange Winnipeg Grain Exchange
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Lougheed & Taylor, Limited
Calgary Canada
Bond, Insurance, Estates, Farm Lands, Appraisals
We are well informed on the oil situation

CAMERON-SOLMES LIMITED
INVESTMENT BANKERS CORPORATION UNDERWRITERS
OTTAWA WINNIPEG SASKATOON CALGARY
Now offering the stock of
ROBY'S PRODUCTS LTD.
Factories at
MONTREAL WINNIPEG

McCALLUM HILL & CO.
Stocks, Bonds, Grains
Members Winnipeg Grain Exchange
Private Wires to All Markets
REGINA, SASK.

James Richardson & Sons
LIMITED
INVESTMENT BANKERS
STOCKS AND BONDS
"A Complete Service to Investors"
WINNIPEG
MONTREAL, KINGSTON, TORONTO
BRANDON, MOOSE JAW, SASKATOON, EDMONTON

We offer the unsold balance of
30,000 SHARES
COMMON STOCK
The Canadian Terminal System Limited
The following information has been summarized from letter by Mr. H. Addison Johnston, General Manager of the Corporation of the Canadian Terminal System Limited:

Business: Canadian Terminal System Limited has been organized under the laws of the Dominion of Canada, for the purpose of controlling and operating public utilities and of holding, buying, and selling securities of public utility and other companies in large or small blocks as the Directors may deem advisable. In view of the character of the business, the Corporation expects to derive substantial earnings from appreciation in the value of securities as well as from dividends or interest thereon. Continuance of the substantial growth in the public utility industry to meet the steadily increasing public and industrial demands for electric light and power, gas service, Terminal Warehouses, Grain Terminals and lake transportation should afford favorable opportunities for this Corporation.

Assets: The Corporation now owns a majority of the Voting Trusts Certificates representing the controlling Common Stock of the Canadian Rail and Harbour Terminals Limited at Toronto (the largest Terminal Warehouse in the Dominion of Canada), and also a majority of the Voting Trust Certificates representing the common stock of Montreal Rail and Water Terminals Limited (second largest Terminal Warehouse in the Dominion of Canada), subject to certain charges which are being met in due course. The Corporation also owns a controlling interest in the stock of the Collingwood Terminals Limited, and contemplates the immediate construction of grain terminals in Penetanguishene and Meaford, having a total prospective capacity of 5,000,000 bushels. An agreement has already been entered into on behalf of the Company with the Town of Meaford for the erection of the elevator at that town. The Corporation also owns the controlling interest in the National Utilities Corporation Limited, which owns and operates public utilities in a number of Manitoba municipalities and it plans extending its interest in public utilities through the National Utilities Corporation Limited or other subsidiary companies to include several of the largest cities and towns in Northwestern Ontario and in Manitoba and Saskatchewan. The Canadian Terminal System, Limited, was recently granted an exclusive gas franchise for a period of twenty-five years in the City of Fort William, Ontario, and plans have been completed for the erection of a modern gas and coking plant at this city. This Company also has in project the construction of a fleet of modern Great Lakes Steamships. The consolidation of these various projects, including the Terminal Warehouses, the Grain Terminals, and the Lake Transportation Lines, forms a complete unit for economic storage, transportation and marketing of grain and other products. The Voting Trust Certificates and shares of said Companies owned by the Corporation are, with other assets, subject to a mortgage and pledge to secure the Twenty-Year 6% Gold Debentures hereafter mentioned.

Capitalization: Twenty-Year 6% Mortgage Sinking Fund Gold Bonds Authorized —$5,000,000
Outstanding— 215,000
Twenty-Year 6% Gold Debentures .... Authorized — 2,000,000
Outstanding— 1,070,000
Common Stock, no par value .... Authorized — 300,000 shares
Outstanding— 300,000 shares

Management: The administration of the Corporation's affairs is being actively handled by The Honourable E. C. Drury, former Premier of Ontario; H. Addison Johnston, Vice-President and Treasurer of The Canadian Rail and Harbour Terminals, and E. J. S. Wallwork, C.P.A., under the co-operative direction of the Board of Directors, which comprises the following:

A. E. WARREN,
General Manager, Canadian National Railways.
Vice-President, Canadian National Electric Railways.
JOHN McMILLAN
General Manager, Canadian Pacific Railway Company's Telegraphs.
Vice-President, Montreal Rail and Water Terminals, Limited.
COLONEL ROBERT STARKE
President, Dominion Transport Company, Limited.
Director, Reliance Insurance Company of Canada.
COLONEL FREDERICK McROBIE
President, Canadian Transfer Company, Limited.
Director, Dominion Transport Company, Limited.
GRAHAM CURTIS
President, Montreal Rail and Water Terminals Limited.
JOHN J. FITZGERALD
President, The Property Corporation of Canada Limited.
T. W. FORAN
President, Maple Leaf Insurance Agencies Limited.
HON. E. C. DRURY, LL.D.
President, Collingwood Terminals, Limited.
Prime Minister of Ontario 1919-1923.
LOUIS COTE, K.C., LL.D.
Thompson, Cote, Burgess and Thompson, Barristers, Ottawa.
G. L. LAFFOLEY
President, Montreal Board of Trade, 1927.
General Manager, Mark Fisher Sons & Co.
T. A. NEELY
Director, Montreal Rail and Water Terminals, Limited.
Director, Continental Terminals, New York.
M. R. TWOMEY
President, Twomey Management Corporation, Limited.
HARRY PRICE
Vice-President, Collingwood Terminals, Limited.
Vice-Chairman, Ontario Athletic Commission.
R. B. HUTCHESON, N.P.
Chairman, Executive Committee, Montreal Debenture Corporation.

Earnings: Moores & Dunford, 110 East 42nd Street, New York, internationally known consulting engineers, report, as follows:—"After a most careful survey of the situation covering all of the existing facilities and proposed expansion, we are of the opinion that The Canadian Terminal System will show a substantial and increased profit each year . . . and that at the end of three years of unified operation the net profits should be in excess of One Million Five Hundred Thousand Dollars."

Price per share - $35.00

We recommend these shares for investment and offer them for subscription, subject to allotment. Application will be made in due course to list these shares on the Toronto and Montreal Exchanges.

The Willison Neely Corporation
LIMITED
Canadian Pacific Railway Building -:- -:- Toronto
MONTREAL OTTAWA PETERBOROUGH LONDON WINDSOR WINNIPEG
The statements contained in this advertisement are not guaranteed, but are based upon information which we believe to be reliable.

DULUTH TRACTION FAILS TO EARN PREFERRED RATE

Asks 7½ Cent Fare in Both Cities; More One-Man Cars

Duluth-Superior Traction Co. in 1928 again dipped into its surplus to pay preferred dividends on its own stock, accident and damage claims and preferred dividends on stock of Duluth Street Railway Co. The net debit to profit and loss for the year was $57,127. Of this amount $38,316 is represented by damage claims paid by the company as its share of claims resulting from a crossing accident two years ago. It is hoped to recover one-sixth of this amount from one of the two steam railroads involved.

Net income for the year was $49,222, compared with $107,646 in the previous year. Gross operating revenue was $1,873,330, compared with $1,965,489 in the previous year. Operating expenses, due primarily to the conversion of two-man cars to one-man operation, were down from $1,570,441 to $1,535,169. Operating income after taxes was $184,599, compared with $238,388 in 1927. Interest was virtually the same as last year, standing at $169,171.

Asks Higher Fares

Depreciation was charged at a slightly higher rate than in the previous year; the former rate would have added $20,000 to the net income. A certain amount of track was relaid during the year in connection with some repaving by the city of Duluth, and other capital expenditures, including the remodelling of cars to make these suitable for one-man operation, brings the investment in road and equipment up from $10,636,003 to $10,750,035. There is a slight reduction in current assets, but a corresponding reduction in current liabilities.

Applications have been filed to obtain increases in fares in both Duluth and Superior and it is hoped that the authorities will grant fares of 10 cents cash or two rides for 15 cents, the new rate in Minneapolis and St. Paul. Higher rates, plus the increase in the number of one-man cars operated, are expected to add to the revenue. The authorities are authorized to fix rates which will give the company a return of 7½ per cent. on the valuation. In the past year the return has been only 3.45 per cent. The present fare is eight cents or five rides for 35 cents.

Following are the consolidated revenue and income and surplus accounts for the last two years, with the figures for the first three weeks of the present year which show a decrease in revenue over the corresponding period of last year:

CONSOL. INCOME STATEMENT

	1928	1927
Operating rev.	$1,873,330	$1,965,489
Operating exp.	1,535,169	1,570,441
Net revenue	338,160	395,047
Op. taxes	153,561	156,659
Op. income	184,599	238,388
Other income	33,794	38,723
Gross income	218,393	277,112
Less interest, etc.	169,171	169,446
Transferred to P. & L.	$49,222	$107,645

CONSOLIDATED PROFIT & LOSS

	1928	1927
Net income	$ 49,222	$107,646
Misc'l revenue	8,045	6,749
	57,267	114,395
Less:		
Preferred dividend ...	60,000	60,000
Common dividend	.....	85,000
Pfd. div. Du. St. Rly.	26,077	27,793
Surplus for year	†18,810	†8,398
Claims, etc.	38,316	41,039
Net surplus for year ...	†57,127	†49,437
Prev. surplus	593,102	642,540
Carried forward	$525,975	$593,102

† Debit.

REVENUE—3 WEEKS JANUARY

	1929	1928	Dec.	%
1st week	$36,103	$40,973	$4,870	11.9
2nd week ...	39,014	40,231	1,217	3
3rd week ...	39,598	41,075	1,477	3.6
Mo. to date ..	114,716	122,281	7,564	6.2
Yr. to date ..	114,716	122,281	7,564	6.2

COMBINES INSURANCE WITH INVESTMENT

New Company Proposes to Sell Contracts Novel in Canada

Protected Investment Sales, Ltd., is a new company organized in Toronto for the purpose of selling contracts which combine a life-insurance feature with a savings investment plan, payable in instalments.

The buyer of one of these contracts agrees to make monthly payments to a trust company somewhat in excess of what would be monthly premiums on an insurance policy. The trust company pays the premiums and invests the surplus, crediting the owner's account with 4 per cent. interest compounded half-yearly. In event of the death of the purchaser before his payments are completed, the insurance to its full value is paid to the beneficiary, plus any surplus which may have been created in the reserve.

For the protection of the trust company against any unpaid instalments, the policy in the beginning will have been assigned to the trust company, which also will have received $1 per year per $1,000 of insurance for its services in the handling of the premium reserve fund.

C. H. Rooke, Toronto, is managing director of Protected Investment Sales, Ltd., which is beginning with 3,000 equal so-called beneficial trusts. The Ontario Equitable is the company in which the purchaser's life will be insured, if accepted, but it is intimated that trusts may also be arranged with various other companies.

Capital: $1,000,000
Reserve: 350,000

Complete Trust Service

covering

Wills and Trusts
Mortgage Loans
Real Estate and Investment
Registrar and Transfer Agents
Safety Deposit Vaults

THE
EASTERN TRUST COMPANY

Head Office—Halifax, N.S.
Saint John, N.B. St. John's, Nfld.
Charlottetown, P.E.I.
MONTREAL—138 St. James St.

Anglo Canadian Has Machines at Capacity

From Our Own Correspondent

MONTREAL. — The Anglo Canadian Pulp and Paper Mills which commenced operations on December 1, 1927, produced in 1928 a maximum daily tonnage of 512 tons. The average production amounted to 485 tons of paper per day throughout the year. This last figure indicates clearly that the management has been successful in rapidly bringing its newsprint machines up to capacity.

NORTH AMERICAN'S BUSINESS IN FORCE UP TO $180,000,000

Two-Thirds of Payments Made to Living Policy Holders

The annual report of the North American Life Assurance Company, just made public, shows insurance in force to be more than $180,000,000. This is an increase over 1927 of nearly $15,000,000. New, revived and increased business amounted to more than $32,600,000 during the year.

The total assets of the company increased by more than $3,350,000 which brings the total up to nearly $39,000,000. The market value of the securities held by the company is reported to exceed their book valuation by over $1,400,000.

Of the total which has been paid out, over $3,380,000, it is noted that $2,300,000 of this was paid to living policyholders. Net premium income has increased by over $620,000 which brings it to a total for the year of $6,175,000. The income from other sources was nearly $2,500,000 which brought the total revenue to almost $8,700,000.

Through an increase of more than $660,700 during the year, the surplus fund was brought to a figure in excess of $7,000,000. The interest rate was kept at 6.2 per cent. for the year.

The following table of comparative figures covers the past two years:

	1928	1927
Premium income ...	$ 6,175,780	$ 5,576,942
Total income	8,666,630	8,089,359
Insurance in force .	180,022,000	165,684,200
New business	32,609,483	32,090,726
Assets	38,965,288	35,608,068
Surplus	7,066,304	6,400,567

Northern Canada Corp. Holds Annual Meeting

An optimistic outline of the possibilities of Northern Canada Mining Corporation, formerly the Beaver Consolidated, was given shareholders by D. B. Hanna, president of the company, at the annual meeting held in Toronto this week.

Northern Canada Mining Corporation was organized during the past year as an investment trust company with a capitalization of 5,000,000 shares of no par value, 2,500,000 shares issued. Beaver shares were exchanged share for share and the issuing of 500,000 additional shares provided $350,000 for investment.

J. B. Tyrell, managing director of the company, congratulated shareholders on the re-election of the board of directors. They were all experienced men, he said, who would make money for them.

The principal assets of the company, 1,721,000 shares of Kirkland Lake Gold, the board had determined to hold as long as they considered money was to be made by doing so.

If a time arose when it was considered more money could be made by switching this step would be taken as the policy of the company was to make money and pay shareholders dividends.

President D. B. Hanna, in setting out the progress made by Kirkland Lake Gold, stated the mine had more broken ore than a year ago, the mill was running smoothly, and money got out of production was being spent to carry on development. He advised shareholders not to look to market quotations to estimate the intrinsic value of the property. Shareholders would have to exercise patience, but the directors felt that they had a valuable asset in this block of stock, none of which had been sold.

Shareholders were informed some investments had already been made on behalf of the corporation but it was inadvisable to name them at present.

Firm Changes Name

The Toronto brokerage business conducted under the name of A. L. Hudson & Co., will be carried on in future under the firm name of F. O'Hearn & Co. The company announces that the change is in name only, the personnel remaining as before.

'PEG ELECTRIC IS ENTANGLED IN LEASE QUIZ

Col. Taylor Charges Seven Sisters Lease Secured Wrongly

From Our Own Correspondent

WINNIPEG.—The Manitoba Government has appointed a Royal Commission to investigate charges made by Col. Taylor, leader of the Conservative party in Manitoba, during the recent by-election campaign in Lansdowne, when the Hon. D. G. McKenzie was elected. Col. Taylor claims that contributions were made to the Bracken Government campaign funds during the last provincial general election by, or on behalf of, the Winnipeg Electric Co. The Commission consists of Chief Justice McDonald and Judges Dysart and Kilgour. Isaac Pitblado, K.C., and Arthur E. Johnstone, K.C., will be counsel for the Government and E. K. Williams, K.C., counsel for the Commission.

The Commission is instructed to find whether the Winnipeg Electric contributed $50,000 to the Bracken campaign funds, or any sum in consideration of any promise by, or on behalf of, the Government in connection with lease to the company of the Seven Sisters power site on the Winnipeg River. It is also to inquire if Mr. Bracken or the Government or any person on their behalf made any promises to the company, and what contributions or payments, if any, were made at the time of the last provincial elections by the company or any persons on its behalf to or for the campaign fund of any political party.

The scope of the Commission seems to be very broad, and to cover every angle of the charges which Col. Taylor was reported to have made during the recent election campaign.

Col. Taylor is quoted as saying that the appointment of the Commission "is a mere dodge to keep the investigation out of the Legislature." The Legislature has been summoned to meet February 11.

Signing the Order-in-Council for the Commission was one of the first acts of the new Lieut.-Governor, J. D. McGregor, after taking the oath of office on January 29. The matter had been delayed owing to the illness and death of the former Lieut.-Governor, Mr. Burrows.

Another Order-in-Council which had been similarly delayed, and which was put through on the new Lieut.-Governor's first day of office, was one conveying powers to the Saskatchewan Grain Inquiry Commission so they can carry on their inquiry in Manitoba.

ENGRAVERS
AND
PRINTERS

Bank Notes
Municipal Debentures
Bonds Cheques
Stock Certificates

CANADIAN BANK NOTE
Company Limited
224 Wellington Street
OTTAWA

Branch Offices:
Montreal, 360 St. James St. W
Toronto, 1604 Royal Bank Bldg.

North-Central Bond Corporation, Limited
Regina McCallum Hill Bldg. Sask.
5½% Investment Bonds
5½% Children's Educational Bonds
Let us explain our plan: How to employ small sums (17 cents per day or more) to provide a competence for the future or for the children's college education.

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GALLOWAY, CLEARY & COMPANY
STOCKS BONDS RENTALS INSURANCE
Members Winnipeg Grain Exchange; Calgary Stock Exchange
Direct private wires to New York, Chicago, Toronto, Winnipeg, Montreal
WESTMAN CHAMBERS (Ground Floor) - - - REGINA

McDougall & Cowans

Members of the Montreal Stock Exchange
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STOCK BROKERS

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Direct Private Wire to All Branches and New York

The
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DEALERS IN
Canadian Government, Municipal and "Dollar for Dollar" Bonds
CANADIAN PACIFIC BUILDING - TORONTO
MONTREAL LONDON HAMILTON OTTAWA

Messrs. Thomson and McKinnon, Members of the New York Stock Exchange and other leading exchanges, beg to announce that Mr. George H. Ross at present Commissioner of Finance, Corporation of the City of Toronto, will on February 1st 1929, become associated with the firm, with offices in the Standard Bank Building, Toronto.

New York
January 21st 1929

TREND UNCERTAIN IN RUBBER PRICES

The trend of rubber prices for this year hardly can be predicted with certainty, although they are more likely to move upward than downward.

This is the opinion expressed in the annual report of the secretary and manager of the Rubber Association of Canada as presented at the annual meeting of the association in Toronto on January 29. A. B. Hannay, secretary and manager of the association, read the report. C. H. Carlisle, of Goodyear of Canada, is president of the association, and other executives of the association are J. H. Coffey, Jr., C. A. Jones, H. C. Jeffries, W. H. Miner, W. A. Eden, F. L. Freudman, J. D. Hathaway, John Westren and E. W. Besaw.

The report points out that raw rubber varied in price in 1928 from 39¾ cents per pound in Janua 17⅝ cents in December. The r also points out that Canada imp 69,197,000 pounds of crude rubb 1928, compared with 19,64 pounds in 1919.

ROBERT DODD & COMPANY
INVESTMENT BANKERS
THE ROYAL BANK BUILDING
MONTREAL, QUEBEC
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ADMINISTRATION & TRUST COMPANY
(Societe d'Administration et de Fiducie)
(Established in 1902)
Administrators
Executors *Trustees*
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HON. SIR H. LAPORTE, Pres. J. THEO. LECLERC, Gen. Manage

NEW ISSUE

$1,000,000

Agnew-Surpass Shoe Stores, Limited

7% Cumulative Convertible Preference Stock
Par Value $100 Per Share

The Cumulative Convertible Preference Stock is fully paid and non-assessable; entitled to fixed cumulative preferential cash dividends at the rate of 7 per cent. per annum; preferred over the common shares as to assets and accrued dividends; callable as a whole or in part at $110 per share and accrued dividends at 30 days' notice; convertible at the option of the holder into three shares of common stock of the Company, without par value. Preferred dividends will be payable October 1st, and quarterly thereafter, the first dividend to accrue from October 1st, 1928. Non-voting unless dividends have become in arrears to an amount equivalent to four quarterly dividend payments and until arrears are paid.

TRANSFER AGENT:
National Trust Company, Limited.

REGISTRAR:
Toronto General Trusts Corporation

The letters patent of the Company provide for the right to convert the preference stock, at the option of the holder, into common shares of the Company, without par value, at the rate of three common shares for each preference share at any time prior to any date which may be fixed for redemption of such stock.

These shares are offered for sale when, and as received by us, and subject to the approval of all legal matters by Messrs. Rowell, Reid, Wright & McMillan and Messrs. Brown, Montgomery & McMichael.

Application will be made to list these shares on the Montreal and Toronto Stock Exchanges.

Price: $99 and accrued dividend per share

The following information has been supplied by Mr. J. E. Warrington, President of the Company—

The Company

The Company, incorporated under the laws of the Dominion of Canada, has acquired all the outstanding shares (except directors' qualifying shares) of The John Ritchie Company, Limited, John Agnew, Limited, and Surpass Shoe Company, Limited. As a result Agnew-Surpass Shoe Stores, Limited, controls one of the largest manufacturers of boots and shoes and the largest boot and shoe chain store system in Canada.

Capitalization

The capitalization of Agnew-Surpass Shoe Stores, Limited is as follows:—

	Authorized	Issued
7% Cumulative Convertible Preference Stock........	$1,500,000	$1,000,000
Common Shares, without par value........	*135,000 shares	80,000 shares

*Including 45,000 shares authorized for the conversion of preference stock.

The Company has no bonded debt and no bonds may be issued if the issue be voted against by the holders of 33-1/3 per cent. of the outstanding preference shares.

No further preference stock may be issued unless the net earnings of the Company for twelve consecutive months out of the fifteen months preceding the issue have been equal to at least twice the dividend requirements of the preferred stock issued and to be issued.

No dividend may be paid on the common stock which would reduce the consolidated net current assets of the Company and subsidiary companies below $500,000, or at any time when the consolidated current assets of such companies shall be less than 200% of their consolidated current liabilities.

Combined Earnings and Asset Values

The combined net earnings of The John Ritchie Company, Limited (years ending October 31) John Agnew, Limited (years ending January 23) and Surpass Shoe Company, Limited (years ending January 31) after providing for depreciation, making adjustment for non-recurring items, and after providing for federal income tax at the current rate, as certified by Messrs. Clarkson, McDonald, Currie & Co., Chartered Accountants, for the past five years, were as follows:

For the period			
1923-24	$102,065.00	1925-26	$107,865.00
1924-25	79,813.00	1926-27	70,611.00
1927-28	$129,210.00		

On the same basis, the combined net earnings of the three companies for the twelve months ending May 31, 1928, as certified by Messrs. Clarkson, McDonald, Currie & Co., Chartered Accountants, were $162,210, or better than 2.3 times the dividend requirements of the preference stock, and after allowance for preferred dividends equal to approximately $1.15 a share on the common shares outstanding. Earnings subsequent to May 31, are running substantially in excess of earnings for the same period last year.

The Canadian Appraisal Company, Limited, certifies the combined depreciated replacement value of the land, plants and equipment of the Company and its subsidiaries, as of May, 1928, to be $578,444. Net current assets as shown by the consolidated Balance Sheet of the Company as of May 31, 1928, prepared by Messrs. Clarkson, McDonald, Currie & Co., Chartered Accountants, are $757,945, after making provision for the payment of all incorporation and organization expenses. Total net assets, which include no valuation for the Company's very valuable trade-marks, leases, contracts and goodwill and an only nominal depreciated value for the lasts, dies and patterns of The John Ritchie Company, Limited, amounts to $1,268,680.

Greenshields & Co.

R. A. Daly & Co.
Limited

Bankers Bond Co.
Limited

The statements contained in the above are not guaranteed but are based upon information which we believe to be reliable and on which we acted in purchasing these securities.

10,000 Shares

Agnew-Surpass Shoe Stores, Limited
Common Shares Without Par Value

Price: $18 Per Share

Application will be made to list these shares on the Montreal and Toronto Stock Exchanges

Greenshields & Co.

R. A. Daly & Co.
Limited

Bankers Bond Co.
Limited

G & Co

Investment Outlook

Shrewd men of affairs study financial "barometers" in making investments.

The following vitally important indicators show future trends:

Presidents of the leading chartered banks are most optimistic for 1929.

There is less unemployment now than at any time during the past eight years.

Business indices portend continued prosperity.

Bank loans remain readily available for reliable enterprises.

Taking these factors into consideration, it is a logical time to invest in sound securities. We shall be glad to advise you in choosing discriminately.

Gairdner
& COMPANY LIMITED
Investment Bankers
357 Bay Street Toronto 2

New Wine Manufacturer

The manufacture of high grade wines will shortly be carried on by the H. Robinson Corporation Limited, Hamilton, Ontario, which has just completed the purchase of the D. Moore Foundry. This concern has had French experts report on the district as a grape-growing ground. Associated with the firm are four substantial French and Italian firms.

LEGAL AND PROFESSIONAL

BENNETT, HANNAH & SANFORD
Barristers, Solicitors, etc.
Calgary, Alberta, Canada
Hon. R. B. Bennett, P.C., K.C.
P. L. Sanford, B.A. A. Hannah
O. H. E. Might, E. J. Chambers, LL.B.
L. G. Nolan, M.C., M.A.

Harry P. Carter
Barrister and Solicitor
MUIR BUILDING WATER STREET
ST. JOHN'S, NFLD.
P. O. Box E5096 Cable Address Retrac

Hodgson, Roberton & Co.
INVESTMENT COUNSEL
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George R. Hodgson G. Edwin Roberton

TOOLE, PEET & CO.
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Appraisers and Valuators
Estates Managed
CALGARY CANADA

Established 1889
J. P. LANGLEY & CO.
C. P. ROBERTS, C.A.
Chartered Accountants
G. S. HOLMESTED
Trustee in Bankruptcy Proceedings
Offices: McKinnon Bldg., Toronto

Black & Armstrong
(Successors to Robinson & Black)
REAL ESTATE VALUATIONS.
RENTALS
Farm Lands, Mortgages and Insurance
200 STANDARD BANK BLDG.
WINNIPEG, MAN.

6.10%
BALFOUR BUILDING
LIMITED
6% First Mortgage Gold Bonds
A sound real estate investment returning a higher than ordinary interest rate.
Circular on request.
Pringle, Holmes & Co.
LIMITED
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Guardians, Transfer Agents, Bond Mortgage Trustees
Savings Department
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CHARTERED TRUST
& Executor Company
46 King St. W., Toronto

CANADIAN STOCK AND BOND QUOTATIONS

Stock Market Record

WEEK ENDING JANUARY 29

	Par Value	Div. Rate	Yield Jan. 28	High for wk.	Low for wk.	Close Jan. 29	Close Jan. 22	Sales for wk.	Range 1929 High	Range 1929 Low
Banks—										
Commerce	$100	12+1	3.84	340	330	338	335	476	340	330
Dominion	100	12+1	4.85	270	265	268	272	113	280	265
Can. Nationale	100	10	5.43	185	184	184	185	296	189	182
Imperial	100	12+1	4.76	276¼	270	270	274	55	276¼	268
Montreal	100	12+2	3.37	415	410	412½	415	418	425	395
Nova Scotia	100	16	4.00	402	396	402	401	451	402	396
Royal	100	12+2	3.63	390	382	383	388	427	400	382
Toronto	100	12+1	4.64	281½	277	278	277	131	282	272
Paper—										
Abitibi	n.p.	.	...	55	48	50	54	9872	55	40
Do. pref.	100	7	6.08	115	115	115	102	100	115	102
Do. pref.	100	6	7.05	86	85	85	86	925	88	85
Belgo Can., pref.	100	7	6.79	103	103	103	103	56	103	101
Brompton	n.p.	$2	5.22	39	36½	39	38¾	1495	39	37
Can. Pr. & Paper	n.p.	.	...	33½	30¼	31¾	33	5569	34¾	28¼
Donnacona	n.p.	.	...	23½	23	23	22½	150	27	22½
Fraser, com.	n.p.	$1	1.19	85	81½	82½	85	1818	88½	81
Do. Rights	..		...	2.25	2.00	2.00	2.15	4462	2.50	1.75
Hinde & Dauch	n.p.	$1	4.34	24	23	24	23	140	25	23
Int. Paper & Pr., c.	n.p.	$2.40	...	29½	29½	29½	29	135	29½	29
Do. (B)	n.p.	.	...	..	...	...	...	...	16⅞	16
Do. (C)	n.p.	.	...	..	...	...	...	...	11¾	11½
Inter. Paper, c.	n.p.	$2.40	3.75	66	63⅜	65½	64½	2200	66	57½
Pt. Alfred, com.	n.p.	.	...	71½	66	66	72½	612	72½	60
Do. pref.	100	7	7.14	98	97¾	98	99	165	100	97¾
Price Bros., com.	100	2	2.66	80	75	76	80	865	80	71
Do. pref.	100	6½	6.25	104	104	104	105	10	105	101
Smith, Howard, c.	n.p.	.	...	29	28½	29	28	1265	30	28
Do. pref.	100	6	6.52	92	91	91½	92	385	93	91
St. Maur. V., pref.	100	7	7.29	96	95¾	96	96	90	98½	95
Wayagamack	n.p.	$3	4.22	74	69	72	78½	962	74	68
Steel and Steel Industries—										
B.E. Steel, com.	100	.	...	6½	5	5½	5	4410	6½	3
Do. 1st pref.	100	.	...	42	33¾	39½	34	1630	42	29½
Do. 2nd pref.	100	.	...	14	7½	12	7½	31177	14	6
Can. Bronze, c.	n.p.	$2	2.28	90	84	86	86	3980	94	68⅞
Do. pref.	100	7	6.36	110	110	110	110	25	110⅝	110
Can. Car & Fdy., c.	100	.	...	165½	139½	156	139	10643	165½	95½
Do. pref.	100	7	3.78	185	142	172	142	8357	185	106½
Can. Fairbanks, pf.	100	6	6.00	..	...	...	...	...	103	100
Can. Forgings, c., A	n.p.	37½c	...	26	23	25	23	4000	26	20
Do. (B)	n.p.	.	...	22	21	22	21	100	22	20
Can. G. Elec., com.	50	.	...	..	...	...	...	...	160	135
Do. pref.	50	7	6.03	61	57½	58	59	78	61	57
Can. Iron, com.	100	.	...	..	...	...	...	...	29	29
Do. pref.	100	4	...	..	...	...	...	...	80	78¼
Can. Locomotive, c.	100	.	...	56	50	56	49	70	56	40
Do. pref.	100	7	7.95	90	88	90	89	12	92	84
Cockshutt	n.p.	$1.50	3.01	49¾	46½	48½	47	29753	50	37
Dominion Bridge	n.p.	$2.80	2.73	103¼	95½	101¼	95⅞	38361	103¼	91½
Do. Rights	..	.	...	5.00	4.25	4.90	4.40	41117	5.00	3.90
Dominion Coal	100	.	...	85	85	85	85	15	90	85
Dominion Iron, pf.	100	.	...	11½	11	11	11½	30	11½	11
Dom. Steel Cp., pf.	100	.	...	45	39¼	42	39¾	170	45	39¼
East Steel Pr.	n.p.	.	...	50	48	48	49	141	53	36
Do. pref.	100	7	7.00	100¼	100	100	100	173	100¼	99½
Gen. St. Wares, c.	n.p.	.	...	39	37	37	38	6102	42	36
Gotfredson, com.	n.p.	.	...	6	6	6	8	50	8	6
Ford Motor	100	15	...	662	650	650	660	6296	695	650
Hamil. Bridge	n.p.	.	...	60	51	60	54	21620	60	37¾
Do. pref.	100	6½	7.14	92	89½	92	91	200	92	89
Hayes Wheel, com.	n.p.	.	...	56	52	54	54	3760	56	47¾
Do. pref.	100	7	6.79	103	103	103	102¼	20	103	101
Kelvinator, com.	n.p.	.	...	10½	9	9	10½	75	12	8
Do. pref.	100	7	8.33	85	83	84	83	140	85	80
Lake Sup. Corp.	100	.	...	40	26¾	34½	27	43234	40	16
Massey-Harris, com.	n.p.	.	...	99½	91	95½	92½	65199	99½	90½
Do. pref.	100	7	6.33	110½	110	110	110	150	115	108½
McKin. Ind., com.	n.p.	$2	3.07	65	63	64	64	1190	76½	62
Do. pref.	100	7	6.82	102½	101	102½	101½	206	102½	100
Nat. Steel Car, com.	n.p.	.	...	142½	133	134	135	11060	142½	88
N.S. Steel, pref.	100	.	...	..	...	...	...	...	x30	25
Ont. Steel, com.	n.p.	$1.60	5.16	31	31	31	30	75	31	30
Do. pref.	100	7	6.66	..	...	...	...	...	105	105
Page Hersey, com.	n.p.	$3	2.27	135	125	129	130½	6993	135	125
Do. pref.	100	7	2.68	..	...	...	...	...	261	261
Pressed Metals, com.	n.p.	$1	4.30	23½	22½	23	22½	1085	23½	19
Do. pref.	100	7	7.00	..	...	...	...	...	100	100
Russell Motor, com.	100	4+1	5.88	85	85	85	85	5	85	82
Do. pref.	100	7	6.57	106½	106½	106½	108	5	108	100
St. of Can., c., new	n.p.	$2+18¾	3.50	63¼	61	62	63	7369	66½	55⅞
Do. pref.	25	$2+18¾	3.82	58	57	57¼	57	608	65¼	51½
Milling, Foodstuffs and Merchandising—										
Assoc. Qual. Can.	n.p.	$1.50	4.68	..	...	...	...	...	32½	24½
Alta. Pa. Gr., com.	n.p.	.	...	67½	64	65	64	7277	67½	55¾
Do. pref.	100	7	7.00	100½	99	100½	100	266	100½	99
Atlan. Sugar, com.	n.p.	.	...	17	15	15	17	225	20	13
Do. pref.	100	.	...	70½	70	70½	70¼	40	70½	69
B.C. Fish, pref.	100	.	...	86	84	84	84	277	86	83
B.C. Packers	n.p.	.	...	29½	26¾	27½	29	2944	32½	26¾
Can. Bak., com.	n.p.	.	...	37	35½	37	35	65	37½	35
Do. pref.	100	7	6.89	101½	101	101	101	20	101½	101
Can. Bread, com.	n.p.	$6	3.79	160	155	160	155	175	160	133
Do. pref. (A)	100	7	6.14	115¼	114	114	116	27	116	114
Do. pref. (B)	100	7	6.66	105	105	105	105	135	109	105
Can. Canners, com.	n.p.	.	...	25	23	25	25	1587	25	21
Do. 1st pref.	100	6	6.59	92	90	91	90	267	92	90
Do. 2nd pref.	n.p.	60c	2.16	27¾	25½	26½	26⅜	5641	28	21¼
Christie Brown, com.	n.p.	$1.20	...	..	...	...	...	...	x131½	79½
City Dairy, com.	n.p.	$2	2.53	80½	75½	75½	78	2145	84	75½
Do. pref.	100	7	5.00	..	...	...	...	...	140	140
Cuban Can. Sugar, c.	100	.	...	1¼	1¼	1¼	1½	35	1½	1¼
Do. pref.	100	.	...	..	...	...	...	...	x30	14
Dominion Stores	n.p.	$3	1.81	165	160	165	162	227	165	160
Fanny Farmer	n.p.	$1	2.85	35	31	34½	32	560	35	30
Do. pref.	n.p.	$2.40	7.74	..	...	...	...	...	31	30
Ham. Dairies, com.	n.p.	.	...	44	40	44	46	135	46¼	40
Do. pref.	100	7	6.93	101½	101	101½	102	17	102	100
Hunts, Ltd., com.	n.p.	$1	2.22	45	43	45	44	110	46	40¼
Do. pref.	100	7	6.86	..	...	...	...	...	103	102
Inter. Milling, pref.	100	7	6.36	110	108¼	108¼	109½	50	110	108¼
L. of Woods, com.	n.p.	$3.20	5.71	56	54½	56	54	1780	56¾	54
Do. pref.	100	7	5.83	120	118	118	120	58	120	115
L. Secord, com.	n.p.	$2	4.59	43½	43½	43½	44½	5	46	41
Do. pref.	100	7	5.00	140	135	135	140	20	140	135
Loblaw, com.	n.p.	$2	1.96	102	99½	100	102	1919	105	97½
Do. pref.	100	7	5.38	..	...	...	...	...	130	130
Maple L. Mill., com.	100	.	...	160	155	155	157½	66	160	145
Do. pref.	100	7	6.36	111	110	110	110	7	112	105
Muirheads, com.	n.p.	60c	6.31	10	9	9	10	207	11	7¾
Do. pref.	10	75c	7.50	10	10	10	10	100	10	8
Nat. Grocers, pref.	100	8	7.96	100½	100½	100½	100½	20	100¾	100
Ogilvie Flour, com.	n.p.	$5	...	550	550	550	510	35	550	495
Do. pref.	100	7	5.18	135	135	135	132	25	140	130
Pure Gold Mfg.	n.p.	$2	6.78	29½	28	29½	29	360	29½	28
Shredded W., com.	n.p.	$3	3.15	95	95	95	95	190	101	92½
Stanfords, com.	n.p.	$1	...	..	...	...	...	...	x27¼	8½
Do. pref.	100	7	8.43	..	...	...	...	...	83	83
St. Law. Flour, com.	100	.	...	33	32	32	32	85	33	31
Do. pref.	100	7	7.36	..	...	...	...	...	x96	94½
Traymore Caf., com.	n.p.	50c	6.25	8	8	8	9	95	9	7
Do. pref.	20	7	7.88	17¾	17½	17¾	18	520	17¾	17½
Viau Bisc., com.	n.p.	.	...	18½	18	18	20	26	22	16
Do. pref.	100	7	8.04	87	87	87	88	5	88	87
W. Can. Fl., com.	n.p.	$1.40	3.78	39½	35	36	40	478	41	35
Do. pref.	100	6½	6.19	..	...	...	...	...	105	104
W. Grocers, com.	n.p.	$1	2.77	36	36	36	35	45	36	30
Do. pref.	100	7	7.77	90	90	90	90	125	90	88
Weston, com.	n.p.	.	...	105	95	95	98	865	106¾	95
Do. pref.	100	7	6.86	103	102	102	102	140	110	102
Utilities—										
Bell Telephone	100	8	4.65	172	168	170	170	1006	172	166
B.C. Power (A)	n.p.	2	3.47	59½	55½	57¾	59½	10876	60	54½
Do. (B)	n.p.	.	...	40	38	38	39	1020	40	38
Calgary Power	100	5	2.94	..	...	...	...	...	170	170
Consumers Gas	100	10	5.18	193	192	193	193	195	194	191
East Koot. Pr.	n.p.	.	...	..	...	...	...	...	27	27
Do. pref.	100	7	7.00	..	...	...	...	...	100½	100
Int. Util. (A)	n.p.	$3.50	7.91	44½	43	44½	43	356	46½	43
Do. (B)	n.p.	.	...	17	15¼	17	15½	1402	19	15
Inter. Power, com.	n.p.	.	...	30	29	29½	30	525	30	28
Do. pref.	100	7	7.21	97½	97	97	97¼	263	98	96½
Jam. Pub. Ser.	n.p.	.	...	..	...	...	...	...	31¾	31
Do. pref.	100	7	6.16	113½	113½	113½	113½	60	113½	109
Laurentide Power	100	5	...	..	...	...	...	...	x133	109½
Mexican Light, com.	100	.	...	85	85	85	70	25	85	70
Do. pref.	100	7	...	..	...	...	...	...	x112	61½
Mont. L. H. P.	n.p.	$2.40	2.12	113	110⅜	111	111	9029	114	106
Mont. Teleg.	40	8	5.92	52	52	52	53	60	55	52
Nor. Mex. Pr., com.	100	4	3.29	121¼	121¼	121¼	121¼	350	122	121
Do. pref.	100	7	7.21	97	97	97	93	20	97	97
Ot. & Hull P., com.	n.p.	.	...	..	...	...	...	...	x70	35
Ott. L. H. & Pr., c.	100	6	5.06	118½	118½	118½	118½	219	120	118½
Do. pref.	100	6½	6.50	100	100	100	102	5	103	100
Postal Teleg., pref.	100	7	6.76	..	...	...	...	...	103½	102
Power Corp., com.	n.p.	$1	...	103¼	100	102	100	14554	103½	97
Do. pref.	100	6	5.94	102	101	102	101½	243	103	101
Quebec Power, com.	n.p.	$2	2.10	95	90	93	91½	9611	95	87
Shawinigan	n.p.	$2	2.17	92	87¼	89	88½	20524	92	85
S. Can. Pr. (new)	n.p.	.	...	58	55	55	...	850	58	55
Do. com.	n.p.	4	2.00	200	190	200	190	163	200	180
Do. pref.	100	6	6.45	110	106	107	106	127	110	105
West Koot. Pr., pf.	100	7	...	..	...	...	...	...	x112	106¼
Transportation—										
Can. Pacific Rly.	100	10	3.97	251½	240	251½	240¾	21	251½	240
Can. Steam., com.	n.p.	.	...	39	36½	38	38	1830	39	36½
Do. pref.	100	6	6.45	93½	92	93	93	1365	95	90
Do. Voting	..	.	...	..	...	...	...	...	37¾	36½
Tractions—										
Barcelona	50	$1	...	..	...	...	...	...	63	60
Brazilian, com.	n.p.	$2.00	2.53	79	76½	77	78	67921	82	75⅜
Do. Rights	..	.	...	5.10	4.70	5.00	5.00	24882	6.00	4.50
Detroit Un. Rly.	100	.	...	¼	¼	¼	¼	965	¼	¼
Duluth Superior	100	.	...	10½	7½	7½	9⅜	180	10½	7½
Montreal Trams.	100	10	5.20	192	192	192	193	50	193	185
Ottawa Traction	100	.	...	57	57	57	57	25	60	57
Porto Rico Rlys., c.	100	$4	...	..	...	...	...	...	x67	67
Do. pref.	100	7	7.36	95	95	95	97	10	97	95
Twin City, com.	100	.	...	57½	50	50	55	1225	57½	44
Do. pref.	100	7	...	..	...	...	...	...	x106	101
Winnipeg Elec., c.	n.p.	2	1.85	108	102	103	105	6227	109½	102
Do. pref.	100	7	6.60	107	105	105½	106	112	107½	104
Textiles—										
Bruck Silk Mills	n.p.	$1	2.70	37	32¾	35	34¾	8782	37	21½
Can. Converters	100	7	6.66	105	104	105	105	135	105	103
Can. Cottons, com.	100	8	7.27	110	110	110	110	57	110	110
Do. pref.	100	6	5.94	101½	101	101	104	34	101½	101
Can. Woollens, pref.	100	.	...	80	80	80	80	5	80	80
Cosmos Imp., com.	n.p.	.	...	28⅞	24	26	24¼	4575	28⅞	22
Do. pref.	100	7	7.00	100	100	100	101	25	101	95½
Ham. Cotton, pref.	30	$2	6.45	31	31	31	31	70	32	30
Dom. Tex., com.	n.p.	$5	4.76	106	103	104	105	1149	118	103½
Do. pref.	100	7	5.64	124	124	124	120	5	124	118¼
Do. Rights	..	.	...	6.00	5.05	5.50	5.50	18017	7.00	5.00
Monarch Knit, com.	100	.	...	..	...	...	...	...	20	20
Do. pref.	100	.	...	..	...	...	...	...	70	66
Montreal Cottons, c.	100	6	4.83	124	124	124	125	1	125	124
Do. pref.	100	7	5.83	120	120	120	120	30	122	120
Penmans, com.	n.p.	4	3.73	108½	102	108½	103	384	108½	97
Do. pref.	100	6	5.55	..	...	...	...	...	108	108
R. S. Mills	n.p.	$2	5.88	35	33	33	34½	565	36	31
Tooke Bros., c.	n.p.	.	...	..	...	...	...	...	20	10
Do. pref.	100	7	...	..	...	...	...	...	60	60
Wabasso Cotton	n.p.	.	...	50	50	50	50	50	58	50
Woods Mfg., c.	100	.	...	..	...	...	...	...	x38	30
Do. pref.	100	7	8.97	78	78	78	78	60	78	78
Zimmerknit, com.	n.p.	.	...	13	13	13	13	25	14	13
Do. pref.	100	7	8.53	83	81	82	80½	48	85	80
General Industries—										
Am. Sales, com.	20	4	2.89	138	138	138	130	1	138	130
Do. pref.	100	7	5.03	140	139	140	136	32	141	136
Asbestos Co., com.	n.p.	.	...	22½	19	21	19¼	5652	22½	16
Do. pref.	100	7	10.37	68	64	67	62½	976	68	57½
Brant. Cd., pref.	25	8	8.42	23¾	23	23½	23½	220	24	23
Building Prod., com.	n.p.	$1.60	3.90	42½	39	41	42	2008	43¾	38
Burt, F. N., com.	25	$3	3.57	86½	83½	83½	86½	490	90	81½
Can. Cement, com.	n.p.	.	...	32½	30	31	32	2927	33	30
Do. pref.	100	6½	6.63	90	98	98	99	1136	99¾	98
Can. Dredge, com.	n.p.	$3	3.50	88	79	84	86½	14152	88½	63½
Do. pref.	100	7	3.11	..	...	...	...	...	225	190
Conduits, com.	n.p.	$1	...	23½	22¾	22¾	23½	200	24	19
Do. pref.	100	7	6.76	103½	103½	103½	101	30	103½	103½
Cons. Smelters	25	10+40	2.77	450	416	450	420	5399	450	374
Crow's Nest Coal	100	6	9.67	63	60	60	62	45	63	58
Dom. Glass, com.	100	7	3.58	195	168	188	167	952	195	152
Do. pref.	100	7	5.60	..	...	...	...	...	125	125
Dom. Rubber, pref.	100	7	...	..	...	...	...	...	x100	95
Easy Washer	n.p.	$2	5.92	37½	33½	33½	37	90	40	33½
E. Theat., com.	25	$2	6.95	..	...	...	...	...	28¼	26
Do. pref.	100	7	7.21	97½	97	97	97½	15	97½	97
Enamel & Heat.	n.p.	$2	5.88	34	32½	33	34	181	34	32
Fam. Play., com.	n.p.	.	...	46	43	43	47	995	48	34
Gilman Fan, com.	100	6	3.07	..	...	...	...	...	210	195
Do. pref.	100	7	3.50	200	200	200	180	5	200	200
Goodyear Tire, com.	n.p.	$5+1	2.50	240	237	240	240	161	240	232
Do. pref.	100	7	6.45	108½	106	108	108½	255	109½	106
Gyp. & Alabas., c.	n.p.	$3	3.10	98	94	95	97½	2065	98	74⅞
Ham. Un. Theat., c.	25	.	...	12½	12	12	12	235	14	12
Do. pref.	100	7	8.23	..	...	...	...	...	85	85
Holt, Renfrew, com.	100	$3	2.34	128	128	128	120	20	130	120
Do. pref.	100	7	6.96	..	...	...	...	...	100½	100½
Int. Nickel	n.p.	.	...	73	62¼	68¼	70	1070238	73	46
King Edward Hotel	n.p.	$6.50	10.00	66	63	66	62⅛	575	66	56½
Lyall Construc.	n.p.	$3	5.31	59	55	56	57½	1492	62	55
Lindsay, C. W., c.	n.p.	.	...	34	32	34	32	495	34	29
Do. pref.	100	6½	6.84	95	94½	95	95	60	95	92
Loew's, com.	100	.	...	..	...	...	...	...	x40	30
Do. pref.	100	7	7.60	..	...	...	...	...	92	92
Mitchell, J. S., com.	n.p.	.	...	65	65	65	65	45	73	60
Do. pref.	100	7	6.73	..	...	...	...	...	104	104
Moore Corp.	n.p.	.	...	36	33	34¼	33½	4267	36½	33
Do. (B)	100	.	...	200	200	200	...	15	200	200
National Brick, c.	100	.	...	7	6½	6½	7	270	8⅜	5¼
Do. pref.	100	6	7.18	84¼	81	82½	81	1530	84¼	78
Pacific Burt, com.	100	6	...	..	...	...	...	...	...	...
Do. pref.	100	7	3.41	205	200	205	201	56	205	200
Photo Engrav.	n.p.	$2	4.81	43	40	42	43	825	45	36½
Port Hope San., c.	n.p.	.	...	60	60	60	60	20	60	58
Do. pref.	100	7	...	..	...	...	...	...	x195	120
Rogers, Wm., pref.	100	4	5.88	..	...	...	...	...	68½	68
Do., pref.	100	7	7.00	100	100	100	100	15	100	99
Sher-Williams, com.	100	6	2.59	235	230	235	230	245	235	184½
Do. pref.	100	7	5.60	125	125	125	125	28	125	115
Simon & S., com.	n.p.	.	...	49	47	47	49	620	50½	47
Do. pref.	100	7	6.66	105½	105	105	106	90	106	105
Simpson, R., pref.	100	6	5.88	102	100½	101	100	100	102	100
Standard Chem., c.	n.p.	2	5.88	34	33	34	32½	405	34	25
Sterling Coal	100	.	...	..	...	...	...	...	x19	13
Tuckett Tobacco, c.	100	4	3.30	..	...	...	...	...	121	120
Do. pref.	100	7	6.03	117	116	116	116	31	117	114⅝
Windsor Hotel, c.	n.p.	.	...	32	30	31½	32	784	32	29½
Do. pref.	100	6½	7.18	90½	90	90	90	55	94	90
Beverage—										
Assoc. Brew., c.	n.p.	$1	3.57	28	27	28	28	1085	31	22¾
Do., pref.	100	7	7.52	93	93	93	95	50	95	93
Brading Brew.	n.p.	$2	7.54	..	...	...	...	...	29	25½
Brew. & Distil.	n.p.	10c	...	4¾	4½	4½	4½	1725	4¾	4
Can. Brew.	n.p.	$2	7.40	27	26	27	27	1470	32	26
Can. Bud	n.p.	.	...	12¼	11½	11½	12	1550	12¼	8
Canada Dry	n.p.	$4.50	5.69	79	78½	79	79½	225	80	78
C. Ind. Ale.	n.p.	$1.52+25	4.21	42	39½	41½	40	15098	47	38¼
Do. (B)	n.p.	.	...	38	35	37	36	520	38¾	35
Can. Malting	n.p.	$1.50	4.91	31	29¾	30	30	5386	31¼	29
Can. Wineries	n.p.	.	...	11	9	11	9	1075	11	8½
Carling Brew.	n.p.	$2	7.01	30	27½	28	28½	1495	35½	27
Com. Alc.	n.p.	.	...	..	...	...	...	...	27	21
Cosgrave B.	10	.	...	4⅛	4	4	4	410	5	3⅛
Distil-Seagram	n.p.	$1	4.44	23	20	20	20	23166	25½	18
Federal Distil.	n.p.		...	1½	1⅜	1½	1½	1845	1¾	½
Chas. Gurd, com.	n.p.	10c	...	41	40	40	40	620	45	40
Do. pref.	100	7	6.36	..	...	...	...	...	110	110
Honey Dew, c.	n.p.	.	...	39	38	38	38	93	43	38
Do. pref.	100	7	8.29	85	84½	84½	85	421	85½	83¼
L. Ont. Brew.	n.p.	.	...	5	5	5	5	25	6	5
Nat. Brew., com.	n.p.	4	3.00	135	131	131¼	134½	2641	140	131
Do. pref.	100	7	5.42	..	...	...	...	...	129	128
Nat. Distilleries	n.p.	.	...	17¼	15½	15½	15	1178	17¼	13
Orange Cr., com.	n.p.	.	...	18	15	15	18	87	20	15
Do. pref. (B)	100	7	7.36	95	94	95	97	55	97¾	94
Do. pref. (B)	n.p.	$2	5.03	40½	39	39	39¾	39	43½	39
Pelissiers	n.p.	.	...	8	7½	8	8	90	8	6¼
Do. pref.	100	7	...	..	...	...	...	...	x103	96
Walker-Good.	n.p.	$3	3.56	85	82	83	83	23729	87¾	78½
Oil—										
Ajax	1	.	...	.45¼	.35	.35	.46½	13100	.49	.35
Beacon Oil	n.p.	.	...	..	...	...	...	...	28	22
Brit. Am. Oil	n.p.	$1	1.71	59½	55¾	57	58	45205	59½	50
Can. Oil, com.	n.p.	$1	1.66	62½	59	59½	62½	375	62½	59
Do. pref.	100	8	6.15	130	130	130	130	15	130	130
Dominion Oil	..	.	...	12	10	10	...	60	12	10
Foothills Oil	n.p.	.	...	3.75	3.50	3.75	3.50	900	4.50	3.50
Home Oil	1	.	...	3.70	3.50	3.50	3.55	16229	3.80	3.05
Imperial Oil	n.p.	$1.50	1.51	102	95	97⅝	101½	9118	105	95
Int. Pete.	n.p.	75c	1.20	65¼	57	57½	65	86042	67⅞	51
McColl, com.	n.p.	25c	...	36¾	33	35¼	35¼	44388	36¾	31
Do. pref.	n.p.	6	6.59	91	91	91	92	110	93	91
North Star, com.	5	.	...	11.00	10.50	11.00	10.00	78	11.00	8.25
Do. pref.	5	7	...	5.25	5.15	5.15	5.25	825	5.30	5.15
Petrol Oil	..	.	...	15	10	10	14	2000	15	10
Super Pet., com.	n.p.	50+25c	...	45½	39	40½	44	10016	45½	32
Do. Voting Trust	..	.	...	44	40	40	43	100	44	29½
Do. pref.	100	7	6.66	105	105	105	107	35	107	100
Volcanic Oil	n.p.	$1.45	...	38	37½	37½	38	46	38½	37½
Wainwell Oil	..	.	...	20¼	18	18	20½	24600	24¾	18
Vacuum Gas	1	.	...	2	2	2	3	1000	3	2
Trust, Loan and Insurance—										
Can. Permanent	100	12	5.02	239	239	239	240	5	243	239
Can. Gen. Invest.	100	.	...	107½	107	107½	106	382	107½	106
Central Canada	100	12+3	3.81	..	...	...	...	...	400	394
Col. Invest.	10	.	...	..	...	...	...	...	x5	4
Econ. Invest.	50	4	3.27	61¼	61	61¼	61	115	61½	60½
Huron & Erie	100	8	4.70	..	...	...	...	...	170	170
Landed Banking	100	10	4.94	202½	202½	202½	202½	5	202½	202½
Mont. Loan	25	12+1	6.00	..	...	...	...	...	x50	48
National Trust	100	12+1	3.33	390	390	390	380	1	390	375
Ont. Equit. 10% pd.	100	6	...	60	55	60	55	238	60	48
Ont. Loan	50	12	4.47	..	...	...	...	...	x140	128
Real Estate Loan	100	7	6.19	..	...	...	...	...	x115	110
Toronto Gen. Trusts	100	12	4.44	270	270	270	270	31	280	270
Toronto Mgr.	50	12	4.80	..	...	...	...	...	x127	114
Union Trust	100	7+1	5.92	..	...	...	...	...	135	135
CURB AND UNLISTED MARKETS										
Asch, com.	n.p.	.	...	50	41	44	38	1234	50	30
Do. pref.	100	7	7.36	95	83	95	90	275	95	90
Attendu Eng.	1	.	...	4¾	2½	2⅝	5	3045	6	2½
Belding, com.	100	7	5.00	140	140	140	131	15	140	131
Do. pref.	100	7	6.66	105	105	105	102½	5	105	101½
Bissell, com.	n.p.	.	...	44	43	44	44	105	45	35
Do. pref.	100	7	5.38	..	...	...	...	...	130	130
Blue Ribbon, c.	n.p.	$2	4.76	42	41½	41½	42	450	43	41½
Do. pref.	50	6½	6.70	48	47	47	47½	87	49	47
Can. Celanese	n.p.	.	...	21⅞	18	18	20	250	25	18
Do. pref.	100	.	...	52¾	52	52¾	52½	30	53	50
Can. Light & Power	100	.	...	65	62	62	64	284	35	60
Can. Paving	n.p.	.	...	41	38	39	40	1362	41	33
Do. pref.	100	7	5.44	129¾	125	127	120	448	135	107
Can. Marconi	1	.	...	..	...	...	...	...	11	9
Can. Nor. Pr., com.	n.p.	.	...	111	110	111	108¼	77	111	104⅜
Do. pref.	100	7	6.60	106	106	106	108½	122	110	106
Can. Vickers	n.p.	.	...	41	39½	40	40	1180	44¾	36
Do. pref.	100	7	7.60	92¾	89	92¾	89½	502	92¾	89
Can. Vinegar	n.p.	$1.60	4.57	37	33	33	35¼	3732	38	27
Cons. Food Products	n.p.	.	...	14¾	14	14	15	465	15	11¼
Cons. Sand., com.	n.p.	.	...	23½	20	20½	22	660	24	17½
Do. pref.	100	7	7.14	99	94	98	94	375	99	90⅛
Cooks. Sh. Brick, c.	100	.	...	..	...	...	...	...	22	20⅛
Do. pref.	100	4	...	..	...	...	...	...	63	63
Corr. Pap. Box, pf.	100	7	7.42	..	...	...	...	...	94¼	94¼
Dom. Engineering	n.p.	$3.50	3.39	105	102	104	100	2195	105	100
Curtis Reid, c.	n.p.	.	...	17	16¾	17	17	50	17	16
Do. pref.	30	.	...	34	32¾	32¾	34	640	34	31½
Dom. Fdy. & St., c.	100	.	...	29	28½	29	20	170	29	20
De Forest	n.p.	.	...	57	54	55	55	1257	60	48
Dom. Power, com.	100	.	...	85	80	85	82	2535	85	80
Do. pref.	100	7	6.66	105	105	105	104½	10	105	104½
Dryden Paper	n.p.	.	...	32	30	30	31	1996	35¼	30
Do. Rights	..	.	...	1.00	.75	.80	...	1995	1.00	.75
Durant Motor	10	40c	2.16	19½	18	18	19	1809	23	13½
E. Dairies, com.	n.p.	.	...	60	52	54¾	50	6334	60	43
Do. pref.	100	7	...	..	...	...	...	...	x102	99
Eng. Elec., com.	n.p.	.	...	31	22	31	21	220	31	17
Do. (B)	..	.	...	32	24	31	...	210	32	24
Do. pref.	100	.	...	97	95	95	85	25	97	85
Farm. Dairy, com.	n.p.	50c	1.47	35¾	30	33	30⅝	6215	35¾	27
Do. pref.	100	7	6.60	..	...	...	...	...	106	106
Firstbrook Box, pf.	100	7	7.40	94⅜	94⅜	94⅜	94⅜	25	96½	94⅜
For. Pr. Secs.	n.p.	.	...	37½	35	36	35	668	40	35
Freiman, com.	n.p.	.	...	..	...	...	...	...	x20	19¾
Do. pref.	100	6	...	..	...	...	...	...	x90	90
Gt. W. Sad., com.	n.p.	.	...	25½	24½	24½	25	580	26	24½
Do. pref.	100	6½	6.65	98	97	97	98	100	99	96¼
Humberstone, c.	n.p.	$2.50	6.84	36½	36	36	36½	130	37	34
Hydro-Electric	n.p.	.	...	40	38	38	40	1471	40	32¼
Imp. Tob., com.	5	[illegible]	3.63	11½	10¾	11¼	11⅛	4868	11½	9
Kemsley Milbourn	n.p.	.	...	..	...	...	...	...	x20	15¼
Loew's London, c.	10	3	...	..	...	...	...	...	x5¾	4
Man. Power	n.p.	$3	3.07	100	97½	99	100	114	105	97½
Mercury Mills	n.p.	.	...	42	35	42	35	326	42	34
Do. pref.	100	6	6.48	93	92½	93	92½	180	93½	92½
Mitchell, Robt.	n.p.	.	...	61	54	60	56½	2822	66½	41
Montreal Ex.	30	.	...	19	17	19	17	314	19	16½
Municipal Ser.	n.p.	.	...	7	6	6½	7	340	7	6
North Bak.	n.p.	$2	5.47	36½	33½	34	36	2010	43	33½
Do. Rights	..	.	...	.40	.15	.25	.40	16695	1.05	.14
Paton Mfg., com.	n.p.	.	...	..	...	...	...	...	53	53
Do. pref.	100	.	...	..	...	...	...	...	x103	102
Perfection Glass	n.p.	.	...	4	3	3½	3½	3080	5	3
Pub. Utility Invest.	n.p.	.	...	..	...	...	...	...	13½	13
Regent Knitting	n.p.	.	...	25¼	22	23¼	23	2550	25¼	20
Reliance Grain	n.p.	.	...	43	41	43	40	237	45	40
Robinson Cone	n.p.	$1.50	6.00	25	24	24½	25	230	25	24
E. L. Ruddy, pref.	100	7	7.19	98	97	97½	97	199	98	95
Sarnia Bridge (A)	n.p.	$2	6.34	32	31	32	31	340	32	29
Do. (B)	n.p.	.	...	32	29	29	29	574	32¾	24
Serv. Stn. Equip.	n.p.	$1.60+40c	2.56	78¾	74¼	76	76½	6468	79⅛	58
Do. pref.	100	6	3.84	160	153	153	155	190	160	121¼
Sprucolite	n.p.	.	...	45	42	43	47	115	48	40
Standard Clay	n.p.	.	...	..	...	...	...	...	x34½	33
Standard Pav.	n.p.	$1.50+50c	4.44	45½	40	40	39	17655	45½	29
Tamblyn, com.	n.p.	.	...	53½	52	52	53½	695	57	49⅞
Do. pref.	100	7	7.07	100	98	100	98	31	100	98
Tip Top Tailors	n.p.	.	...	48⅝	44	46	46	5611	48⅝	33
Do. pref.	100	7	6.48	109	107	108	106	239	109	99
United Fuel, com.	n.p.	.	...	24½	23	23½	24	502	24½	23
Do. pref.	100	6	7.18	84	83	83	82	307	86	82
United Secs., com.	100	.	...	65	56	65	55	18	65	55
Do. pref.	100	6	5.71	105	104¾	105	104¾	358	105	104
Waterloo Mfg.	n.p.	$1	2.77	36½	35	35	35½	2305	39	26

xQuotations for 1928. No sales recorded in 1929 to date.
†On arrears.

A. J. Pattison, Jr. & Co. LIMITED
INVESTMENT BANKERS
Dealers in Unlisted Bonds and Shares
159 Bay street, (First Floor) Toronto, 2 Elgin: 5101-5102-5103 5104-5105-5106

Dividends Declared

	Rate	Date	Record
Dom. Bridge	65c.	Feb. 15	Jan. 31
Bruck Silk Mills, c.	25c.	Feb. 15	Jan. 31
Penmans, com.	$1	Feb. 15	Feb. 5
Inter. Paper, c.	60c.	Feb. 15	Feb. 1
Foreign Pr. Secs.	1½%	Feb. 15	Jan. 31
Royal Bank	3%	Mar. 1	Jan. 31
Brazilian, c.	50c	Mar. 1	Jan. 31
East. Theatres, c.	50c	Mar. 1	Jan. 31
Crows' Nest Coal	1½%	Mar. 1	Feb. 8
McIntyre Mines	5%	Mar. 1	Feb. 1
Bk. of Toronto	3%	Mar. 1	Feb. 15
Ontario Steel, c.	40c.	Feb. 15	Jan. 31
Do., pref.	1¾%	Feb. 15	Jan. 31
Bk. of Commerce	3%	Mar. 1	Feb. 14
Stand. Paving	37½c.+12½c.	Feb. 15	Jan. 31
Can. Oil, com.	25c.	Feb. 15	Feb. 1
Do., pref.	2%	Apr. 1	Mar. 20
Massey-Harris, pfd.	1¾%	Feb. 15	Jan. 31
Lake of Woods, com.	80c.	Mar. 1	Feb. 16
Do., pref.	1¾%	Mar. 1	Feb. 16
Bk. of Montreal	3%	Mar. 1	Jan. 31
Chase, A. W., pfd.	2%	Feb. 10	Jan. 31
Int. Paper & Pr. "A"	60c.	Feb. 15	Feb. 1
Simon & Sons, pfd.	1¾%	Mar. 1	Feb. 20
Can. Converters	1¾%	Feb. 15	Jan. 31
So. Can. Power, c.	25c.	Feb. 15	Jan. 31
Wayagamack	75c.	Mar. 1	Feb. 15

Unlisted Stocks

Recent London Quotations

Brewers & Distillers	18s.
Calgary Power	165
Hudson's Bay	127s. 6d.
Hudson's Bay, 5% pref.	98s. 9d.
Can. West. Lumber	9s. 10d.
Standard Chemical, 7%	27½
Dominion Tar	70s.

Recent Vancouver Quotations

	Bid	Asked
B. C. Telephone, pfd., new 6%	105	106½
Pacific Coyle, com.	10½	13
Gosse Packing, pref.	83½	85

Recent Winnipeg Quotations

	Bid	Asked
Beaver Fire Co.	120	...
Can. Fire Ins. Co	...	110
Home Invest & S. Ass'n	72	76
N. Mtge. 50% paid	20	...
Northern Trusts Co.	50	52½
Standard Trusts Co.	...	30
No. Star Oil, pref.	5.25	5.40
No. Star Oil, com.	...	9.00
West. Steel Prod., pref.	96	..
Do., com.	..	42
Crescent Creamery	100	..

Foreign Exchange

NEW YORK FUNDS

	High (Premium)	Low (Premium)	Last year High (Premium)	Last year Low (Premium)
Jan. 24	7-32	7-32	3-16	5-32
Jan. 25	7-32	7-32	5-32	9-64
Jan. 26	15-64	15-64	9-64	1-8
Jan. 28	17-64	15-64	9-64	1-8
Jan. 29	1-4	1-4	5-32	9-64
Jan. 30	1-4	15-64	5-32	5-32

STERLING, FRANCS AND LIRE

	Sterling Close	Francs Close	Lire Close
Jan. 24	4.84 17-32	3.90 5-8	5.23 1-8
Jan. 25	4.84 15-32	3.90 11-16	5.23 1-4
Jan. 26	4.84 1-2	3.90 7-8	5.23 3-8
Jan. 28	4.84 9-16	3.90 11-16	5.23 5-8
Jan. 29	4.84 1-2	3.90 5-8	5.23 1-4
Jan. 30	4.84 7-16	3.90 13-16	5.23 1-2

FOREIGN EXCHANGE

Par		Jan. 23	Jan. 30
19.30	Italian	5.24	5.24¾
23.80	German	23.82	23.81
13.90	Belgian	13.93	13.93
49.80	Japanese	45.52	45.47

NEW YORK CURB

	Close Jan. 16	Close Jan. 23	Close Jan. 30
Can. Marconi	8 1-8	8 1-4	7 5-8
Imp. Oil Can.	99 7-8	100	96
Inter. Pete.	56 1-2	62 1-4	58 1-4
Int. Util. "A"	..	45	48
Int. Util. "B"	16 1-2	16 1-8	20 7-8
Nipissing	3 3-8	3 3-8	3 1-8
Noranda	61 7-8	65	62

MONTREAL TRUST REPORTS GROWTH

Annual Report Shows Larger Profits — Business Has Expanded Largely

From Our Own Correspondent

MONTREAL.—The annual report of the Montreal Trust Company for the year ending December 31 last showed earnings at the best level in the history of the company. The income accounts of the company over the past three years compare as follows:

	1928	1927	1926
Profits	$486,797	$382,034	$336,343
Deduct:			
Dividends	222,427	170,000	160,000
Hosp. subsc.	5,000	5,000	......
Taxes	61,297	40,839	43,325
Pension fund	10,000	5,000	5,000
Year's surplus	188,073	161,195	128,018
Prior surplus	100,041	88,846	210,828
Total surplus	288,114	250,041	338,846
Transferred to reserve	100,000	150,000	250,000
Balance	$188,114	$100,041	$88,846

Earnings Record

Year	Paid-up Capital	*Profits	Earn. %	Div. Rate
1920	$1,000,000	$201,297	20.1	10
1921	1,000,000	201,977	20.1	10
1922	1,000,000	220,943	22.0	12
1923	1,000,000	239,515	23.9	12
1924	1,000,000	254,349	25.4	12
1925	1,000,000	273,329	27.3	15
1926	1,000,000	293,018	29.3	16
1927	1,000,000	336,195	33.6	17
1928	2,000,000	420,500	21.0	17

*Taxes and subscription to hospital deducted.

The assets of the company show an all round increase, reflecting the expansion during the year. Reserve account now stands at $2,000,000, equal to the capital account.

In his remarks to the shareholders, Sir Herbert Holt, the president, said that every development had shown a material increase over the previous year. The estates in trust and under administration, and the trusteeships for bond issues total in round figures $1,648,000,000, an increase of approximately $191,000,000 over the previous year. During the year the capital was increased from $1,000,000 to $2,000,000. The dividends for the current year have been increased 14 per cent.

President of Tooke Bros. Has Resigned from Board

From Our Own Correspondent

MONTREAL.—At a meeting of the directors of Tooke Brothers, the resignation of W. A. Tooke was placed before the board and accepted. No appointment of a successor was made, but an executive committee, consisting of W. K. Trower, N. A. Galt and W. M. Weir was appointed. The affairs of Tooke Brothers have not been successful for some years past.

A capital re-organization was undertaken two years ago whereby the preferred shareholders received new no par common stock for arrears in dividends on the preferred stock. Since that time preferred dividends have been paid, but the operations of the company have not shown a marked improvement. Earnings for the current year to date are said to be approximately the same as for the same period in the previous year. For the year ending June 30, 1928, earnings on the preferred stock amounted to $6.95 a share, slightly under dividend requirements.

Form Mine Finance Company

Announcement is made of the foundation of a company under the title of International Mines and Metals, and the opening of offices at 210 McKinnon Building, Toronto.

The purpose of this company, which was formed by a group of American and Canadian financiers is to finance the earlier development of substantial mining enterprises. The company will it is said, have associated with them a competent group of engineers.

We have pleasure in announcing that
Mr. Carl H. Hall
is now associated with this firm as
Assistant Manager of our London, Ontario, office.
Harley, Milner & Co.
Members Toronto Stock Exchange
INVESTMEMT SECURITIES
Private wire connections to principal financial centres
350 BAY STREET, TORONTO
Telephone Adelaide 9071
HAMILTON—LONDON—WINDSOR—ST. CATHARINES

Listed Bond Quotations

Week Ending January 29

	Int. Rate	Due	Yield	Ask	Latest Price Bid	Latest Price High	Latest Price Low	Range 1928 High	Range 1928 Low	Range 1929 High	Range 1929 Low
Montreal—											
Asbestos	5	1942	...	....	104	...	...	106	96	100	...
Asbestos, 1st mtge.	6	1941	6.54	98¼	95½	95½	...	103	96	95¾	93
Asbestos, gen. mtge.	6	1956	7.27	88¼	85	85	...	99½	84	86	84⅛
Can. Car	6	1939	5.04	....	108	...	...	108	106½	...	...
Can. Cons. Rubber	6	1946	...	....	103½	...	...	103½	102½	...	...
Can. Cottons	5	1940	...	....	...	...	...	99½	98⅞	...	...
Can. Forgings	6	1942	...	....	...	...	...	98	...	...	...
Can. Locomotive	6	1951	6.12	....	...	98½	...	100	98¼	98½	...
Can. Pr. & Pr., deb.	5½	1958	6.50	87	...	87	86½	94	83	89¼	86
Can. S.S. deb.	5	1943	4.90	....	...	...	...	103¼	101	...	...
Cedar Rapids	5	1953	4.86	....	...	...	...	105¾	96⅞	...	...
Dom. Canners	6	1940	5.48	....	...	...	...	104¼	102	...	...
Dom. Coal	5	1940	5.24	....	97	...	...	99⅞	95	98⅛	...
Dom. Iron	5	1929	8.45	....	...	...	...	102	94	...	...
Mex. Elec.	5	1942	8.88	....	...	...	...	78¼	69¼	...	...
Mex. L. H. & Pr.	5	1940	8.91	....	...	...	...	87¾	70	71½	71⅛
Mont. L. H. & Pr.	4½	1932	5.34	....	...	...	...	97	...	...	...
Mont. Tr., 1st mtge.	5	1941	5.11	100	99	99	...	102¼	98¼	99⅜	99
Mont. Tr., "A"	5	1955	5.17	98½	97¼	97½	97	102	97½	98½	97
Mont. G. & R. S. F. "B"	5	1955	5.18	98⅛	97¼	...	...	102	95	97¼	...
Nat. Brew.	6	1939	...	....	...	...	...	105	104¾	...	...
N. S. Steel	5	1959	...	....	...	...	...	77	69	...	...
Ogilvie Flour "A"	6	1932	5.43	....	102½	...	...	103½	101	...	...
Do. "B"	6	1932	...	....	102½	...	...	103	102	...	...
Do. "C"	6	1932	...	....	102½	...	...	104	...	...	...
Ont. Steel	6	1943	5.58	....	104	...	...	104	103⅝	104	...
Porto. R. Rly.	5	1936	...	....	...	...	...	91¾	...	...	...
Steel of Can.	6	1940	5.20	108½	...	...	...	108	104	107	...
Wabasso	6	1947	5.91	....	...	...	...	103½	101	101	...
Wayagamack	6	1951	6.00	....	100	...	...	105¼	100	100	...
West. K. Power	6	1940	...	....	...	...	...	101	...	...	...
Winn. Elec.	5	1935	...	....	...	...	...	100	99	...	...
Toronto—											
Canada Bread	6	1941	5.82	108	107½	...	...	108½	107	101½	...
Can. Canners	6	1950	5.80	....	102	...	...	102½	101	102¼	101⅛
Dom. Canners	6	1940	...	....	...	...	...	104	104	...	...
Porto R. Rly.	5	1936	...	....	92	...	...	92½	92	...	...
Postal Tele.	5	....	...	94	...	...	...	95¾	93¾	93¾	93
Steel of Can.	6	1940	...	....	107½	...	...	108	108	...	...
Dominion Govt. Bonds (Montreal)—											
War Loan	5	1931	4.88	100.35	100.10	100.20	100.10	102.85	99.90	100.25	98.85
Do.	5	1937	4.62	103.10	102.70	102.20	.....	106.40	102.25	103.00	102.00
Victory Loan	5½	1933	4.94	102.50	102.30	102.20	101.75	106.50	101.90	102.50	101.75
Do.	5½	1934	5.05	102.20	102.00	102.60	101.90	105.85	101.15	102.60	101.70
Do.	5½	1937	4.70	106.15	105.90	105.20	104.90	110.95	105.50	106.05	104.90
Do., Refund	4½	1940	4.60	98.50	98.00	97.30	.....	102.70	98.20	99.70	97.20
Do., Refund	5	1943	4.74	102.50	102.25	102.85	102.35	106.10	101.30	102.85	102.00
Do., Refund	4½	1944	4.53	99.00	98.50	98.40	97.80	103.05	98.50	98.40	97.60
Do., Refund	4½	1946	4.58	99.00	98.50	98.70	.....	103.20	98.40	98.70	97.95
Do., Renewal	5½	1932	5.13	101.65	101.00	101.05	100.80	104.45	100.80	101.70	100.15

Flood Barnes Active Bond Prices

January 30th, 1929

	Price	Rate	Years to Maturity	Next Int. Date	Yield %
Agric. Mtge. Bk. of Colombia Gtd. S.F. 7's due '47	99	7	19	June 16	7.09
Alberta Pacific Grain 1st S.F. 6's due '46	102½	6	18	June 1	5.78
Argentine Govt. 6's Series B due '58	101	6	30	June 1	5.93
Asbestos Corp. 1st Ref. S.F. 6's due '41	99	6	13	July 1	6.11
Asbestos Corp. Gen. Mtge. S.F. 6's due '56	88	6	28	July 1	6.97
Bell Tel. of Canada 1st 5's Series B, due '57	103	5	29	June 1	4.80
Brazil, United States, Ext. S.F. 6½'s, due '57	96¼	6½	29	Apr. 1	6.80
Can. Cement Co. 1st Mtge. S.F. 5½'s due '47	102½	5½	19	May 1	5.28
Canada Power & Paper Coll. Trust 5½'s due '58	89	5½	30	July 1	6.31
Canada Paper 1st S.F. 6's due '45	103	6	17	June 4	5.72
Can. Light & Power 1st S.F. 5's due '49	95½	5	21	July 1	5.35
Canada S.S. Lines 6's 1st and Gen. Series A due '41	102½	6	13	Apr. 15	5.72
Canada S.S. Lines Consol. 5's due '43	103	5	15	Feb. 15	5.36
C.P. Rly. Coll. Trust 5's due '34	101	5	6	Apr. 15	4.83
C. P. Rly. Secured 4½% Notes due '44	98	4½	16	Apr. 15	4.68
Can. Goodrich Income 7's due '43	70	7	15	....	...
Chile Repub. Ext. S.F. 6's due '60	93¾	6	32	Apr. 1	6.46
Colombia Repub. Ext. S. F. 6's due '61	90	6	33	Apr. 1	6.75
Dom. Iron & Steel Consol. S.F. 5's due '39 (£)	72	5	11	Mar. 1	...
Donnacona Paper Co. 1st S.F. 5½'s due '48	97	5½	20	Feb. 1	5.75
Donnacona Paper Co. 6's Debentures due '48	97¼	6	20	Feb. 1	6.24
Duke Price Power 1st S.F. 6's Series A, due '66	105¾	6	38	May 1	5.63
Fraser Companies 1st S.F. 6's due '50	102	6	22	July 1	5.83
Fraser Companies 6½'s Debentures due '42 (Cum. Stock Rights)	109	6½	14	Apr. 1	5.56
French Line Ext. S.F. 6½'s due '51	102	6½	23	Feb. 15	6.32
French Nat. Mail S.S. Line Ex. S.F. 6's due '52	100	6	24	May 1	6.00
General Steel Wares 1st S.F. 6's due '52	102	6	24	May 1	5.84
Gatineau Power 1st S.F. 5's due '56	97¾	5	28	June 1	5.15
Gatineau Power S.F. Debs. 6's due '41	101½	6	13	June 5	5.83
Hydro Electric Bond & Share Corp. Coll. Trust S.F. 5's due '47	96½	5	19	May 1	5.24
Manitoba Power 1st S.F. 5½'s due '51	102½	5½	23	July 1	5.30
Massey-Harris Co. 1st Mtge. 5's due '47	98½	5	19	Apr. 15	5.12
Mtl. Coke & Mfg. 1st S.F. Series A 5½'s due '47	102	5¼	19	June 1	5.33
Mtl. Light Heat & Power Cons. 1st Ref. & Coll. Trust 5's Series A, due '51	101¾	5	23	Apr. 1	4.87
Mtl. Tramways 1st Coll. Tr. 5's Series "A" due '41	100¼	5	13	July 1	5.00
Mtl. Tramways Gen. & Ref. 5's Series "A" due '55	99	5	27	Apr. 1	5.07
Nova Scotia Steel & Coal 1st S.F. 5's due '59	76	5	21	July 1	...
Northwestern Utilities 1st S.F. 7's due '38	104½	7	10	June 1	6.37
Port Alfred Pulp & Paper 1st S.F. 5½'s due '57	98	5½	19	May 1	5.68
Price Bros. 1st S.F. Series "A" due '43	106	6	15	Feb. 1	5.41
Quebec Power Co., 1st Mtge., Coll. S.F. 5's, due '68	99	5	40	June 1	5.06
Shawinigan Water & Power Co. 1st Mtge. Coll. S.F. 4½'s, due '68	95½	4½	40	June 1	4.75
Southern Can. Power 1st 5's Series A, due '55	101¼	5	27	Apr. 1	4.93
United Grain Growers 1st Mtge. 5's due '48	97	5	20	July 2	5.25
United Securities Coll. Trust S.F. 5½'s Series A, due '52	100¼	5½	24	May 1	5.46
Wayagamack Pulp & Paper 1st S.F. 6s due '51	103	6	23	July 1	5.76
Winnipeg Electric Ref. 6's due '54	104½	6	26	Apr. 1	5.70

Kingsley Jarvis Opens Office in Toronto for Pitfield & Co.

Kingsley Jarvis has been appointed manager of the newly opened Toronto office of W. C. Pitfield & Company.

Mr. Jarvis was previously associated with the Royal Securities Corporation, Montreal, and prior to that with the Equitable Trust Company of New York. With Mr. Jarvis in the sales department of the Toronto office there will be Geoffrey R. Marani, who was for 10 years with the National City Company, Toronto, and Parkes S. Ansell, former partner in Williamson, Plow, Limited, Montreal, and M. Ransom Ferguson, formerly with Kerr Fleming & Co., in the trading department.

OSWALD & DRINKWATER
Members Montreal Stock Exchange
Members Montreal Curb Market
Main Office:
Insurance Exchange Building, 275 Notre Dame Street West
Telephone Harbour 6101*
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MONTREAL
Direct Private Wires to New York and Toronto

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Stock and Bond Brokers
Members MONTREAL STOCK EXCHANGE
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465 St. John Street - Montreal, Que.

P. S. ROSS & SONS
Chartered Accountants
Trustees in Bankruptcy etc.
Established 1879
Montreal Toronto Winnipeg Calgary Vancouver
10 Adelaide St. East, Toronto
Gerald Jephcott, C. A. *Resident Partner*

WILTON C. EDDIS & SONS
Established 1895
CHARTERED ACCOUNTANTS
Federal Building, Toronto

CLARKSON, GORDON, DILWORTH, GUILFOYLE & NASH
of TORONTO and
CLARKSON, McDONALD, CURRIE & COMPANY
of MONTREAL and QUEBEC
Chartered Accountants
E. R. C. CLARKSON & SONS
Authorized Trustees and Receivers
15 Wellington Street West TORONTO

TERMS FIXED FOR PAYMENTS ON BRAZILIAN

President Also Announces 100,000 H.P. Hydro Installations

Details of terms of subscription to the additional shares of Brazilian Traction have been forwarded to preferred and ordinary shareholders of the company. Shareholders of record on February 15 are given the right to purchase one additional share at $40 for each seven shares already held.

There are several options for payment. If the subscriber decides to pay in instalments, he will pay $10 on subscription on or before April 2, $10 on June 1, $10 on September 3 and $9.30 on December 2. These shares will rank for dividends from December 1, next.

If payment is made in full on or before April 2, shares will rank for dividend from March 1, 1929, provided that subscriber adds 17 cents per share to price to cover accrued dividend from March 1 to April 2. If first instalment has been paid and subscriber wishes to complete payments when second payment is due, June 1, these shares will rank for dividend from June 1. Price will be less 8 cents per share interest adjustment on instalment paid previously. Likewise, if two final payments are consolidated when third payment is due, subscriber may deduct 33 cents for interests on previous payments and shares will rank for dividend from September 1.

Rights Expire April 2

Instalments must be made in Canada to National Trust, Montreal or Toronto, and in London to the Canadian Bank of Commerce, Lloyd's Bank or to the Bank of Scotland. Cheques must be payable at par to the trust company or bank to which the remittance is sent.

Subscription warrants and fractional share warrants will be forwarded to shareholders about February 25. Rights expire at 5 p.m., April 2, 1929, and rights not exercised by then will be void.

Preference shareholders may take advantage of this offer by converting their shares into common shares between February 1 and February 15. Preference shares also may be converted, as usual, up to March 15, but conversions after February 15 will not entitle the holders to participate in the subscription to the new common shares.

Santos is Growing Port

Accompanying the notices to shareholders respecting the terms of subscription is a letter signed by Miller Lash, K.C., president, which gives some interesting details of the company's recent purchase of the City of Santos Improvements Co. and of plans for additional hydro-electric development in territory in which subsidiaries of Brazilian Traction operate. The letter follows, in part:

The boards wish to announce that the purchase of nearly all the ordinary shares of the City of Santos Improvements Company (an old-established English company), has recently been completed, and there is thus added a large and growing public utility business to the enterprises controlled by Brazilian Traction, Light & Power Company, Limited.

The City of Santos Improvements Company owns and operates the services of light and power distribution, manufacture and sale of gas, the water supply, and transportation by tramways and buses in the important City of Santos, Brazil, all of which services have been extended to and are in operation in the neighboring seaside town of Sao Vicente. The properties of the City of Santos Improvements Company have been well operated and maintained and are in excellent physical condition. Santos, which is the port of the State of Sao Paulo and its extensive hinterland, is one of the most important seaports of Brazil, as may be gauged by the fact that the value of exports from Santos is well over 50 per cent. of the total exports of Brazil. Similarly of the total value of imports to Brazil close to 40 per cent. is through the port of Santos. Of the total coffee exported from Brazil nearly 70 per cent. passes through Santos.

Population 165,000

Santos is about 50 miles by rail from the City of Sao Paulo, with which it is connected by the line of the Sao Paulo Railway Company, Limited, which is the neck of the whole railroad system of the interior, and the Sorocabana Railway Company is rapidly constructing an independent connection to the port.

The population served by the City of Santos Improvements Company, Limited, is about 165,000. Santos is not only a great shipping port, but is developing rapidly as a manufacturing centre, and is only seven miles distant from the Serra Development of our subsidiary, the Sao Paulo Tramway, Light and Power Company, Limited, with which it is interconnected. The telephone service in Santos has been owned and operated for many years by our telephone subsidiary, the Brazilian Telephone Company.

To Add 100,000 Horsepower

The acquisition of the shares of the City of Santos Improvements Company calls for an expenditure of approximately $14,000,000, and in addition to this the rapid expansion of the other enterprises controlled by Brazilian Traction, Light and Power Company call for considerable capital expenditure in the near future. Further large power units are shortly to be installed, one of 40,000 h.p., at the Parahyba plant in the Rio district, which has already been ordered, and one of probably 60,000 h.p. at the Serra plant in the Sao Paulo district. Considerable extensions are also necessary to the light and power distribution systems, including connection to a number of towns where the light and power properties have been recently acquired. Also other services of the company's subsidiaries call for a large amount of additional capital outlay to meet the growth of business.

RIVERSIDE SILK EARNINGS EQUAL PREVIOUS YEAR

Equipment Added, Prospects For Current Year Are Bright

Riverside Silk Mills had profits of $159,424 in the fiscal year ended December 31, 1928, compared with $161,072 in the previous year. These figures are the equivalent of $5.30 and $5.37 respectively on the 30,000 shares of Class A stock outstanding, after depreciation or $3.19 on the two classes. The Class A stock is in receipt of a cumulative dividend of $2 per share per year, and participates equally with each Class B share, after the 20,000 Class B shares have received $2 per share in any one year.

This company became of public investment interest in April, 1928, when the Class A shares were offered at $30 the share. The stock currently is selling around $33. Three dividends were paid in the year, and after adjustments and the writing off of the reorganization expenses, the surplus is $424,422, compared with $331,293 at the end of the previous year.

Adds to Equipment

It is understood that earnings of the company are expected to be considerably higher in 1929 than in 1928, owing to the installation of additional equipment which will increase the output. The company is said to have orders on hand or in prospect which will keep the plant running for some months.

Additions to equipment are reflected in the balance sheet, the fixed assets, after deducting depreciation, show at $395,369, compared with $349,015 as at March 31, 1928. Current assets are up in the same time from $368,650 to $412,481. Current liabilities are increased from $43,372 to $70,586, of which $36,000 is a bank loan.

Profit and Loss and Surplus Account
(Year ending December 31, 1928)

Net earnings for year, after depreciation and taxes		$159.424.54
Less dividends		45,000.00
Transferred to surplus		114,424.54
Surplus Account		
Balance at credit, Dec. 31, 1927		$331,293.78
		445,718.32
Federal income tax, 1927, and adjust. re 1926 tax	$10,623.35	
Less:		
Reorganiz. exp. and adjustments	10,672.33	21,295.68
Balance forward		$424,422.64

Establish Tractor Company

Formation of the Bulldog Tractor Company by Alberta business men for the purpose of distributing Bulldog tractors and acting as general agents for the British Empire Locomobile Engineering Company of London has been announced. A Dominion chafter has been applied for. Calgary will be the head office.

THE ONTARIO LOAN AND DEBENTURE CO.
LONDON 58 years in business CANADA
Capital, paid-up, $1,750,000 Reserve Fund, $2,800,000
The Company's Debentures are a legal investment for Trust Funds which may also be deposited in the Company's Savings Department.
Money loaned on First Mortgages including building loans. Applications invited.
A. M. SMART, *President* T. H. MAIN, *Manager*

RAMSAY, STEWART
AND COMPANY
Investment Securities
Northern Ontario Bldg.
TORONTO

POWER CORPORATION OF CANADA LTD.
We have prepared an analysis in connection with the above company.
Copies may be had on request
Campbell, Stratton & Co
Members Toronto Stock Exchange
244 Bay Street, Toronto

W. C. PITFIELD & COMPANY
INVESTMENT BANKERS - MONTREAL
Announce
The opening of a Toronto Office
80 King St. West - Adelaide 6144
MR. KINGSLEY JARVIS
Manager
GEOFFREY R. MARANI
PARKS S. ANSELL
Sales Department
M. RANSOM FERGUSON
Trading Department
February 1st, 1929

We offer subject to sale--
Great Lakes Paper Co. 6% Bonds
Arnold Bros. Ltd. 6% Bonds
Melchers Distilleries Ltd. Class "A" Shares
International Proprietaries Ltd. Class "A" Shares
David & Frere Ltd. Class "A" Shares
Further particulars gladly furnished on request.
Barrett & Wood Limited
Investment Bankers
132 St. James St., W., Montreal

OSLER & HAMMOND
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An Attractive 6% Bond—
With a Bonus of Common Stock
Starr Manufacturing Co.
Limited
6% First Mortgage Sinking Fund 20-Year Bonds.
Due February 1st, 1948.
Denominations: $1,000, $500, $100.
Interest on these bonds was earned three times over during the past year.
Price: Par and Interest yielding 6%
Carrying a Bonus of One Share Common Stock with each $500 Bond.
Circular Upon Request
H. R. BAIN & CO.
LIMITED
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"*What* is the Mystery
of today's extraordinary security market?"
is the leading question asked by a puzzled investment public. There is no "mystery". For over a year Moody's has been pointing out the fundamental causes of it.
Send for circular, "*The 'Mystery Market' Explained.*"
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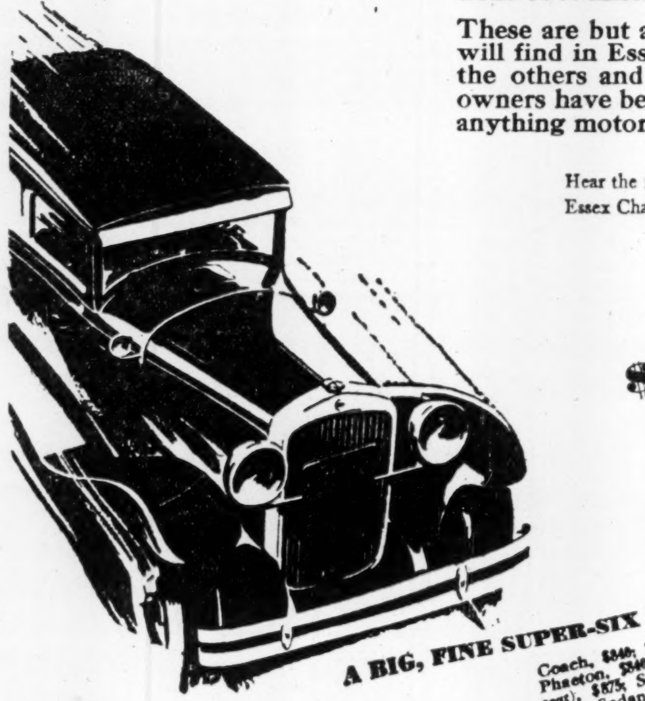
ESSEX THE CHALLENGER
Twice now . . *in 30 days* . . production has had to be increased
76 Advanced Features Include: Power increased 24% —Above 70 miles an hour top speed 60 miles an hour all day—Four hydraulic shock absorbers—New type double action four-wheel brakes—Large, fine bodies—Easier steering —Greater economy.
How quickly motordom recognizes outstanding value! In the case of Essex the Challenger its acceptance is the talk everywhere.
In its tens of thousands of demonstrations there is conclusive proof that it truly is a challenger that wins. Twice now—in 30 days—production has had to be increased.
Every day in more than five thousand Essex salesrooms motorists are appraising its looks.
On the road they are revealing it in getaway and hill climbing. Its better than 70 miles an hour is proved over and over again by thousands of cars. And that such performance will endure is proved by any number of demonstrations of 60 miles an hour all day long.
These are but a few of the 76 advantages you will find in Essex the Challenger. Go inspect the others and do what a million Super-Six owners have been invited to do. Pit it against anything motordom has to offer.
Hear the radio program of the "Hudson-Essex Challengers" every Friday evening.



$840
AND UP
Standard Equipment Includes: 4 hydraulic shock absorbers—electric gas and oil gauges—radiator shutters—saddle lamps—windshield wiper—rear view mirror—electrolock—controls on steering wheel—starter on dash—all bright parts chromium-plated.
A BIG, FINE SUPER-SIX YOU'LL BE PROUD TO OWN
Coach, $840; 2-Pass. Coupe, $840; Phaeton, $840; Coupe (with rumble seat), $875; Standard Sedan, $960; Town Sedan, $1025; Roadster, $1025; Convertible Coupe, $1080.
All Prices F. O. B. Windsor, taxes extra
HUDSON MOTOR CAR COMPANY
Detroit, Michigan, U. S. A.

THE DOMINION BANK

Head Office, Toronto

The Statement of the Bank for the twelve months ended December 31st, 1928, shows continued expansion.

Deposits increased by	$6,600,000
Immediately Available Assets increased by	7,700,000
Total Assets increased by	11,000,000

Fifty-eighth Annual Statement

The Fifty-eighth Annual General Meeting of The Dominion Bank was held at the Head Office in Toronto, on Wednesday, January 30th, 1929, at which the following statement of the affairs of the Bank as on December 31st, 1928, was presented:—

PROFIT AND LOSS ACCOUNT

Balance of Profit and Loss Account, 31st December, 1927		$ 120,524 45
Profits for the year, after deducting charges of management, interest accrued on deposits and making full provision for all doubtful assets		1,408,088 12
		$1,528,612 57
Which amount has been disposed of as follows:		
Dividends (quarterly) at Twelve per cent. per annum	$720,000 00	
Bonus, one per cent.	60,000 00	
Total distribution to Shareholders of Thirteen per cent. for the year		$780,000 00
Contribution to Officers' Pension Fund		50,000 00
Dominion and Provincial Government Taxation		176,325 85
Written off Bank Premises		250,000 00
Balance of Profit and Loss Account carried forward		272,286 72
		$1,528,612 57

GENERAL STATEMENT
31st DECEMBER, 1928

LIABILITIES

Capital Stock paid in			$ 6,000,000 00
Reserve Fund		$ 8,000,000 00	
Balance of Profit and Loss Account carried forward		272,286 72	
Dividend No. 185, payable 2nd January, 1929		180,000 00	
Bonus, one per cent., payable 2nd January, 1929		60,000 00	
Former Dividends unclaimed		3,381 00	
			8,515,667 72
Total Liabilities to the Shareholders			$14,515,667 72
Notes of the Bank in Circulation		$ 8,207,237 00	
Deposits not bearing interest	$25,877,880 77		
Deposits bearing interest, including interest accrued to date	89,462,706 41		
		115,340,587 18	
Advances under the Finance Act		2,000,000 00	
Balances due to other Banks in Canada		4,514,865 04	
Balances due to Banks and Banking Correspondents elsewhere than in Canada		2,462,794 16	
Bills Payable		90,716 70	
Liabilities not included in the foregoing		467,901 05	
			133,084,101 13
Letters of Credit Outstanding			5,205,378 49
			$152,805,147 34

ASSETS

Gold and Silver Coin, current	$ 1,460,601 89	
Dominion Government Notes	10,534,537 27	
Deposit in the Central Gold Reserves	2,300,000 00	
Notes of Other Banks	1,140,115 00	
United States and other Foreign Currencies	232,214 66	
Cheques on other Banks	12,068,784 31	
Balances due by Banks and Banking Correspondents elsewhere than in Canada	4,524,080 60	
	$32,260,333 73	
Dominion and Provincial Government Securities, not exceeding market value	16,755,040 40	
Canadian Municipal Securities and British, Foreign and Colonial Public Securities other than Canadian, not exceeding market value	3,843,958 98	
Railway and other Bonds, Debentures and Stocks, not exceeding market value	2,105,630 68	
Call and Short (not exceeding thirty days) Loans in Canada on Stocks, Debentures and Bonds and other Securities of a sufficient marketable value to cover	14,439,122 01	
Call and Short (not exceeding thirty days) Loans elsewhere than in Canada on Stocks, Debentures and Bonds and other Securities of a sufficient marketable value to cover	8,066,303 57	
		$77,470,389 37
Other Current Loans and Discounts in Canada (less rebate of interest) after making full provision for all bad and doubtful debts	$62,667,815 21	
Other Current Loans and Discounts elsewhere than in Canada (less rebate of interest) after making full provision for all bad and doubtful debts	1,185,819 18	
Non-Current Loans, estimated loss provided for	66,799 30	
Bank Premises, at not more than cost, less amounts written off	5,642,737 32	
Real Estate other than Bank Premises	5,520 53	
Mortgages on Real Estate sold	32,506 04	
Deposit with the Minister of Finance for the purposes of the Circulation Fund	314,650 00	
Other Assets not included in the foregoing	213,531 90	
		70,129,379 48
Liabilities of Customers under Letters of Credit, as per contra		5,205,378 49
		$152,805,147 34

A. W. AUSTIN, *President.* C. A. BOGERT, *General Manager.*

AUDITORS' REPORT TO SHAREHOLDERS

We Report to the Shareholders of The Dominion Bank:—

That we have audited the above Balance Sheet as at December 31st, 1928, and compared it with the books and vouchers at Head Office and with the certified returns from the Branches. We have obtained all the information and explanations that we have required, and in our opinion the transactions of the Bank which have come under our notice have been within the powers of the Bank.

In our opinion the Balance Sheet discloses the true condition of the Bank and is as shown by the books of the Bank.

A. B. Shepherd, C.A.,
of Peat, Marwick, Mitchell & Co.
Alfred W. Cole, C.A.,
of Macintosh, Cole & Robertson.

Toronto, January 17th, 1929.

Mr. A. W. Austin, President; Mr. C. A. Bogert, Vice-President and General Manager, and Mr. C. S. Blackwell, Chairman of the Board, addressed the Shareholders with regard to the Bank's affairs, and reviewed in a general way business and financial conditions in Canada.

The following directors were elected:—Messrs. A. W. Austin, C. S. Blackwell, C. A. Bogert, C. H. Carlisle, R. Y. Eaton, E. W. Hamber, John M. Mackie, Wilmot L. Matthews, R. S. McLaughlin, W. W. Near, F. Gordon Osler, J. Allen Ross, C. O. Stillman and H. H. Williams.

At a subsequent meeting of the Directors, Mr. A. W. Austin was elected President, Mr. C. A. Bogert, Vice-President, and Mr. C. S. Blackwell, Chairman of the Board.

HURON & ERIE REPORTS ASSETS, PROFITS, HIGHER

Canadian Debentures Up But Money From Britain Decreases

Huron & Erie Mortgage Corp. had profits of $577,841 in the year ended December 31, 1928, before provision for taxes and amount written off office premises. The net available for dividends was $490,711, or 9.8 per cent. on the paid-up capital of $5,000,000, compared with $486,502 or 9.7 per cent. in the previous year. The corporation paid 8 per cent. dividends in 1928 compared with 7 per cent. in the previous year.

Reserve fund is now $2,600,000, or 52 per cent. of the capital, $100,000 having been added to the end of 1928 out of reserve. Real estate held for sale, all of which was acquired with the Hamilton Provident Loan, was reduced from $68,499 to $42,828 in the course of the year.

Outstanding Canadian debentures were increased during the year from $21,776,318 to $22,824,766. Sterling debentures were reduced from $2,100,369 to $1,229,431. Deposits are up from $9,851,657 to $10,761,635. Outstanding mortgages are increased from $35,080,098 to $35,970,051. Total assets show an increase from $42,013,578 to $43,222,135.

Following is the record of the company in recent years:

Distribution of Earnings

	1928	1927	1926
Profits	$589,765	$577,841	$574,014
Taxes	83,971	71,339	45,573
Premises	15,083	20,000	15,000
	99,054	91,339	60,573
	490,711	486,502	513,441
Distribution:			
Dividends	400,000	350,000	375,000
Reserve	100,000	150,000	123,920
Balance	*9,289	*13,498	14,521
Prev. bal.	75,707	89,206	74,685
P. & L. bal.	$66,418	$75,708	$89,206

*Debit.

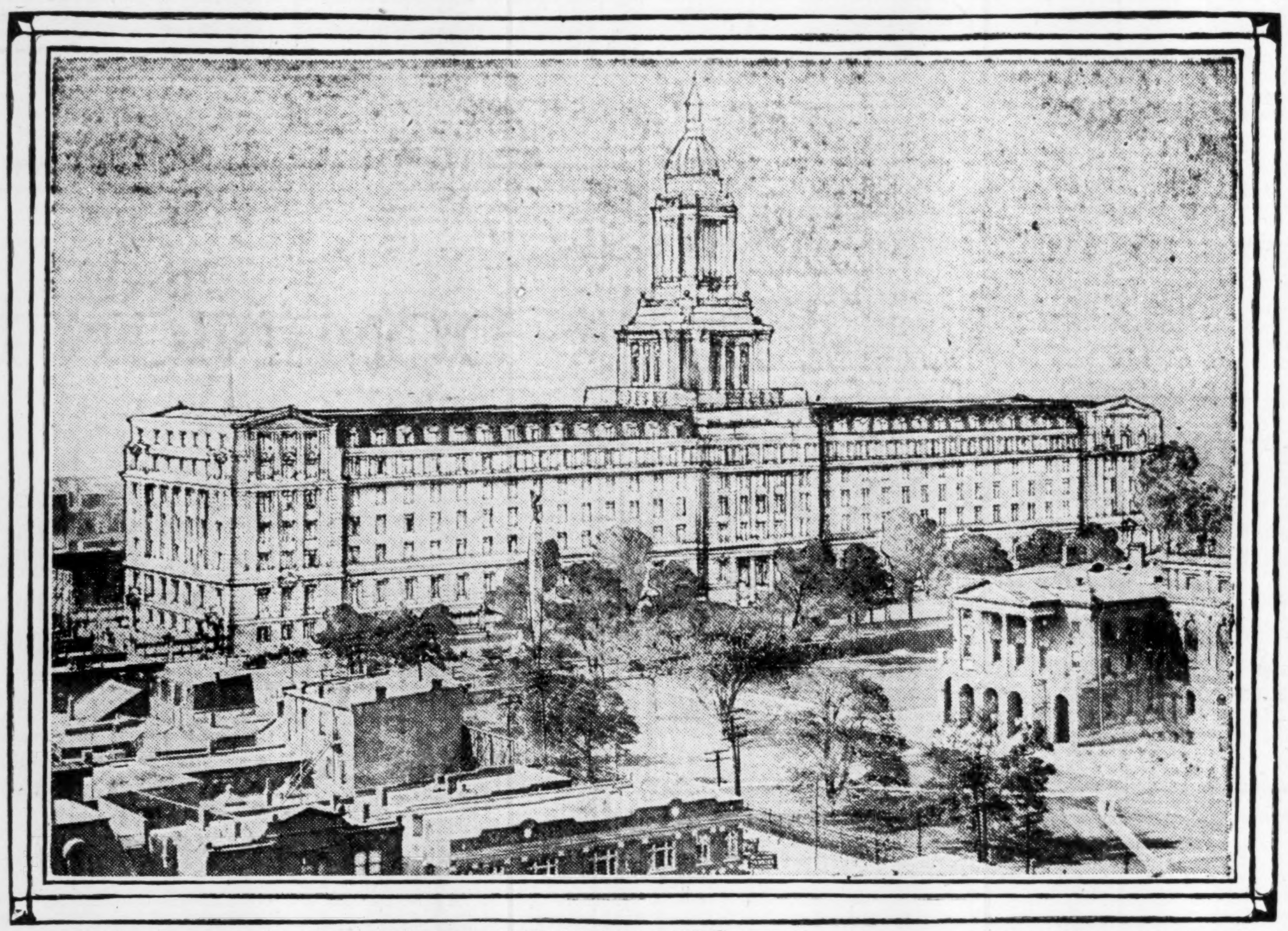
Rate of Earnings

Year	Paid-up Capital	*Net Profits	Earned p.c.	Div.
1917	$2,500,000	$421,151	17.0	12
1918	2,500,000	446,668	17.8	12
1919	5,000,000	493,037	9.8	6
1920	5,000,000	505,943	10.1	6+1
1921	5,000,000	531,444	10.6	6+1
1922	5,000,000	521,482	10.5	7
1923	5,000,000	500,458	10.1	7
1924	5,000,000	501,237	10.1	7½
1925	5,000,000	497,747	9.9	7½
1926	5,000,000	513,441	10.3	7½
1927	5,000,000	486,502	9.7	7
1328	5,000,000	490,711	9.8	8

* Taxes and amount written off premises deducted.

McFetrick & Co.
Investment Brokers
388 St. James Street W.,
MONTREAL, QUE.

New Head Office Building of the Canada Life Assurance Co.



Shown above is a composite drawing and photograph of the new head office building for the Canada Life in Toronto, as it will appear when completed. The site for the edifice has already been purchased. The frontage on University Avenue extends for 500 feet and the building will extend in a westerly direction along Queen Street to Simcoe.

February Dividend Payments

Summary of Payments

Dividends	$ 5,056,962
Bond Interest	11,172,719
Total	$16,229,681

Dividend Payments

Company	Rate	Date	Amount
B. C. Pulp	$1.75	1	$ 9,733
Belding Corti., com.	3½s	1	22,485
Brading Brew.	50c.q	1	11,000
Bruck Silk Mills	25c.q	15	25,000
Can. Bronze, c.	50c.q	1	40,000
Do., pref.	$1.75	1	21,875
Can. Converters	1¾q	15	30,335
Canadian Oil, com.	25c.q	15	24,000
Can. Vickers, pref.	1¾q	1	29,750
Chase, A. W., pref.	2q	10	19,956
Cosmos Imp., pref.	1¾q	15	26,124
Christie Brown, com.	30c.q	1	34,500
Cons. Sand, pref.	1¾q	15	21,000
Cockshutt, c.	75c.	1	216,460
Can. Dredge, com.	75c.q	1	37,500
Do., pref.	1¾q	1	26,250
Dominion Bridge	65c.q	15	242,531
Enamel & Heat.	50c.q	1	14,500
Farmers Dairy, c.	25c.s	10	17,500
Do., pref.	3½s.	10	24,500
Foreign Pr. Secs., pfd.	1½q	15	75,000
Gen. Steel Wares, pfd.	1¾q	1	78,750
Ham. Bridge, pfd.	1⅝q	1	36,562
Hollinger Mines	1%	.	246,000
Humberstone Shoe, c.	50c.q	1	10,000
Inter. Utilities, pref.	$1.75q	1	68,337
Imperial Bank	3q	1	210,000
Inter. Nickel, pref.	1¾q	1	28,867
Inter. Paper, com.	60c.q	15	600,000
Int. Paper & Pr. "A"	60c.q	15	600,000
Manitoba Power	$1.50	1	225,000
Massey-Harris, pref.	1¾q	15	211,572
Mortgage Corp.	1½q	1	10,200
Mercury Mills, pfd.	1½q	1	15,000
National Brick, pref.	1½q	15	50,094
Ont. Equitable	3s	1	10,854
Ontario Steel, com.	40c.q	15	38,235
Do., pref.	1¾q	15	6,304
Pelissiers, pref.	1¾q	1	7,875
Penmans, com.	$1q	15	64,518
Do., pref.	1½q	1	16,125
Russell Motor, com.	2+1q	1	24,000
Do., pref.	1¾q	1	21,000
Securities Holding pfd.	1½	1	75,000
Service Stn., pref.	1½q	1	22,500
St. Law. Flour, pfd.	1¾q	1	10,062
Stanfords 1st & 2d pf.	1¾q	1	12,250
Steel of Canada, com.	50+18¾c.q	1	318,750
Do., pref.	50+18¾c.q	1	44,662
So. Can. Pr., com.	25c.q	15	25,000
Stand. Pav.	37½c.+12½c.q	15	30,375
Teck-Hughes	15c.q	1	713,571
Winnipeg Elec., com.	$1	1	149,798
Weston, Geo., pref.	1¾q	1	17,500
Western Trust	2s	1	20,100
Weyburn Sec. Bank	2½s	15	13,112
Wood, A.&Jas., 1st pf.	1¾q	1	11,375
Waterloo Mfg. "A"	25c.q	1	15,000
Do., "B"	50c.q	1	13,750
Zimmerknit, pref.	1¾q	1	14,875
			$5,056,962

q—Quarterly.
s—Half-yearly.

Bond Interest Due In February

Company	Rate	Int. Date	Due	Amount
Anticosti Corp.	6½	15	1941	$ 195,000
Atlantic Under	6½	1	1944	3,087
A. W. P. Pulp	7	1	1945	28,000
Bloor St. Geo. Real.	7	15	1946	17,671
Bishop Realty	7	1	1947	10,500
Canada Bread	6	1	1941	30,744
Canada Foundries	6	2	1942	24,276
Can. Steamships	5	15	1943	113,197
Carleton & Gr. Ter.	7	2	Serial	231,000
Clyde & Sissiboo P.	6½	1	1943	16,250
Can. Pr. & Pap. Inv.	5	1	1958	62,500
Dom. Tel. Secs.	5½	2	1978	27,500
Drum. St. Rlty.	6½	1	1942	19,500
Donnacona Paper	5½	1	1948	192,500
Drumheller Collier.	7	1	1943	17,500
Holt, Renfrew	6½	1	1937	17,468
Interlake Tissue	6	1	1935	8,010
Lincoln, P. & Pap.	7½	1	1942	36,300
Lower St. Law. Pr.	7	1	1947	26,250
Lake St. John Pr.	6½	1	1947	162,500
Do., Mtge. Debs.	6½	1	1942	97,500
Maple Leaf Mill.	6½	1	1943	58,061
Mtl. R'l & W. Ter.	6½	1	1951	97,500
Mount View Apts.	7	1	1946	10,500
Nat. Grocers	6½	15	1932	60,547
Ott. & Hull Pr.	6	1	1948	75,000
Pacific Mills	6	1	Serial	86,745
Price Bros.	6	1	1943	439,350
Restigouche Co.	5½	1	1948	41,250
Rogers, Wm. A.	6	1	Serial	6,750
Starr Mfg.	6	1	1948	9,000
Suburb. Rap. Tran.	5	1	1938	12,500
Walmsley, Chas.	6	1	1943	28,050
Wayagamack	6	1	1951	124,692
Wood, Alex. & Jas.	6	1	1944	11,055
Wolthausen Hat	7	1	1943	6,084
Zimmerknit	6	1	1948	22,500
Corporation Bonds				$ 2,426,837
Municipal				x4,062,500
Provincial				x3,199,032
Dom. Loan (1926)	4½	1	1946	1,012,500
Do. (1926)†	4½	1	1930	450,000
N. Y. Loan (1915)†	5	1	1935	21,850
				$11,172,719

†—Payable in Canada and New York.
x—Figure is determined by dividing by twelve the ultimate total interest payable during the year on these issues.

Canada Trust Co. Profit Up Slightly

Profits of Canada Trust Co. were $119,001 in the year ended December 31, 1928, which was 11.9 per cent. on the capital of $1,000,000, compared with $118,213, or 11.8 per cent. in the previous year.

Capital account is up from $1,851,154 to $1,880,154. Guaranteed trust account is up from $6,447,100 to $6,544,172 and estates, trusts and agency account is increased from $12,276,853 to $13,449,691. The company completed the year with no real estate on hand for sale.

All of the capital stock of Canada Trust is owned by Huron and Erie Mortgage Corp.

Following is the record of Canada Trust in recent years:

Rate or Earnings

Year	Paid-up Capital	*profits	Earned p.c.	Div.
1917	$1,000,000	$126,174	12.6	7
1918	1,000,000	125,319	12.5	8
1919	1,000,000	120,147	12.0	8
1920	1,000,000	144,873	14.4	8+4
1921	1,000,000	157,724	15.7	8+4
1922	1,000,000	83,629	8.3	8
1923	1,000,000	94,018	9.4	8
1924	1,000,000	107,343	10.7	9
1925	1,000,000	108,848	10.8	9
1926	1,000,000	115,699	11.5	9½
1927	1,000,000	118,213	11.8	10
1928	1,000,000	119,001	11.9	10

* After deducting taxes.

Coalspur Shut Down; Bondholders to Meet

A meeting of bondholders of Coalspur Collieries, Ltd., has been called for February 4 to take steps to protect their interests. Western Trust Co., Edmonton, has been notified that the property has been returned to Sterling Collieries, Ltd.

Sterling Collieries was the original owner of the property and as such was interested in the effort to have it operated. Sterling, however, declared not to be liable for obligations of Coalspur.

The property has been idle since Sterling Collieries paid balance of wages. Other liabilities of Coalspur are believed to rank after the claims of bondholders, but it is understood that there are liens against certain pieces of equipment. The outstanding Coalspur bonds amount to $100,000.

SAWYER-MASSEY CERTIFICATES

Shareholders of the old Sawyer-Massey Co. now are receiving new scrip, in Sawyer-Massey, Ltd., for their holdings of preferred and common in the former company. The basis of exchange was one new common for each old preferred and one new common for each ten of old common. Thus shareholders of the old company have 16,500 shares of the total of 50,000 shares in the new company.

CONDUITS MAY PAY MORE

It is stated that Conduits Co. probably will pay another dividend of 50 cents on the common stock before the close of the company's fiscal year on September 30, making $1 in all for the year.

SMELTERS BONUS EMPLOYEES

Consolidated Smelters for the year end gave married men a $50 bonus and single men $25. A few years ago Smelters used to give a share of stock.

BEACON OIL PFD. IS CALLED AT 110

Stock Traded in Toronto Will be Exchanged for Standard of New Jersey

Beacon Oil Co. has called for retirement on February 15 at 110 per share its entire issue of approximately $2,200,000 of 7½ per cent. cumulative preferred stock.

Standard Oil Co. of New Jersey recently acquired control of the Beacon Oil Co., one of the leading refining and marketing companies of New England. This transaction was made possible by acquiring large blocks of individual stock and the purchase of 350,000 shares of Beacon Oil's treasury common stock at $19.10, thereby gaining control of more than 50 per cent. of approximately 1,425,000 shares of common.

The holders of Beacon common stock have been offered one of Standard for 2¼ shares of Beacon.

The Beacon Oil Co. owns jointly with the Sun Oil Co. a large number of concessions in Venzuela, covering about 200,000 acres, which are expected to be on a commercial basis in the near future. Beside being one of three large companies manufacturing Ethyl gasoline, it operates three subsidiary filling station companies in New England and market over 120,000,000 gallons of gasoline in 1928.

The New Jersey Standard has not been represented in New England territory heretofore and in the acquisition of Beacon Oil the Standard Oil is carrying out its recently formulated policy of expansion.

Beacon Oil is listed on the Toronto exchange, selling currently around 23.

United Bond Salesmen Meet in Convention

A successful sales convention was staged by the United Bond Company, Ltd., of Toronto and Windsor, in Toronto, last week.

About sixty representatives of the company gathered from all parts of Canada, and took a bus trip throughout the city to inspect the buildings, first mortgage bonds of which were underwritten by the United Bond Company. These included Bloor building, Wellington building, Manufacturers building, Queen's Park Plaza and others.

Howard C. Wade, president of the company, prophesied a marvellous growth in Canada during the next ten years. "Canada is certainly coming into her own and is without doubt one of the most prosperous countries in the world to-day," said Mr. Wade. "But the present prosperity and growth is small compared to what will happen in the next ten years. Toronto, I think you will find, will be one of the outstanding cities on the American continent, in size, population and financial importance, and Canadians investing in Canadian properties and securities will find those investments extremely profitable. Money I think is going to be cheaper, with the result that interest rates on bonds will be lower."

E. A. Hoffman, vice-president and appraiser of both the Canadian and United States company, gave a talk on the appraising of buildings and property value.

J. C. McDonald of the London and Western Trusts Company, told briefly of the part the trust company played in the capacity of trustee of all bond issues, sponsored and sold by the United Bond Company.

William Brown, vice-president and general manager, also spoke.

Thos. E. Walsh, of the Walsh Advertising Company, advertising counsel, spoke on advertising.

The delegates were taken to Oshawa to view the new Hotel Genosha, bonds of which the company is selling.

An Investment in the Growth and Prosperity of the Maritime Provinces

Eastern Bank *of* Canada

AUTHORIZED CAPITAL

Common Stock; 10,000 shares (par value $100 per share) $1,000,000

The Common Stock is non-redeemable.

The holders of the Common Stock are entitled at any meeting of the Stockholders of the Company to one vote for each share of stock registered in their respective names on the books of the Bank.

No stock of the Bank has been issued except for cash.

No subscription will be effectual unless five hundred thousand dollars of the capital stock shall be subscribed.

Under the banking laws of the Dominion of Canada all bank stocks are subject to a double liability. In event of a bank failing to meet its obligations the Shareholders can be called upon to make up any deficiency to the extent of $100 for each share held.

Charter and Business

The Eastern Bank of Canada is chartered under the Bank Act of the Dominion of Canada and is authorized to carry on a general banking business as set forth in the Act. The Bank has been organized primarily to assist in developing the business and promoting the prosperity of the Maritime Provinces.

Directors and Management

It will be the policy of the Eastern Bank of Canada to secure as Directors men of outstanding ability and integrity with a wide knowledge of business, industrial and financial affairs of the Maritime Provinces as well as the whole of Canada. These directors will be secured from all three provinces in the Maritimes.

At present time the following have consented to act as Directors, if elected:

FRED R. TAYLOR, K.C.,
Barrister, Saint John, N.B.
ANGUS McLEAN, Bathurst, N.B.,
Director, New Brunswick Publishing Company;
Director, Canada Cement Co., Limited.
SENATOR FRANK B. BLACK,
President, New Brunswick Telephone Co., Sackville, N.B.
FRED E. SAYRE,
Sayre & Holly Lumber Company, Limited, Saint John, N.B.
GEORGE R. McKEAN,
George McKean & Company, Limited, Saint John, N.B.
JAMES D. McKENNA,
President, New Brunswick Publishing Co., Ltd., Saint John, N.B.
JAMES MacMURRAY,
President, Eastern Securities Company Limited, Saint John, N.B.

The appointment of a thoroughly experienced Banker as general manager will be made very shortly. Already a number of highly satisfactory applications have been received and a general manager suitable to the shareholders can be secured as soon as convenient.

Capital and Surplus

Although the authorized capital of the Eastern Bank of Canada is $1,000,000, the bank will start in a relatively strong position with other Chartered Banks in Canada, due to the fact that the stock will be offered at $200 per share. On completion of the present financing, the bank will commence operations with a Paid-up Reserve Fund of $1,000,000 less ordinary organization expenses. Capital and Surplus will, therefore, total very nearly $2,000,000.

General

With the ever increasing and wide spread industrial and commercial progress in store for Canada during the next ten years, a bank started on the very threshold of this prosperity offers the investor, as well as the business man, an unusual opportunity to share in the progress of his country.

Since the Charter for the Eastern Bank of Canada was granted, several leading Canadian bankers have expressed the opinion that this bank is being started under much better conditions than were other Canadian Banks which now occupy most outstanding positions in Canada.

The record of the Banks, both in Canada and the United States, shows that banking is a most profitable business and under conservative management with the close co-operation of the Directors, the Stock of the Eastern Bank of Canada should prove to be a most valuable holding.

Terms of Payment

$100 a share on notice of allotment.
The balance when and as called by the Directors.
No call to be made within thirty days of the preceding call.

COMPENSATION ACT BEING CONSIDERED IN SASKATCHEWAN

Will Adopt State Fund Plan of Assessments

From Our Own Correspondent

REGINA.—As result of the inquiry last year into the subject of Workmen's Compensation, the Government of Saskatchewan have brought down a bill to be the basis of a Workmen's Compensation Act for Saskatchewan. All workmen's claims are to be adjudicated by a permanent board of three members, with headquarters in Regina, which will pay compensation out of funds established by assessment upon employers.

This action means removing a large amount of business from the insurance companies, as Saskatchewan employers have previously found it necessary to keep themselves insured against compensation claims.

The Board is given full authority to classify industries according to hazard, to determine and to collect assessments. Its conclusions will be final and not subject to court review or to restraint by injunction. Railway trades are excluded from the operation of the act unless they bring themselves under it by a vote of two-thirds of the membership of their organizations. The rate of compensation provided is two-thirds of actual earnings, which are not to be reckoned at higher than $2,000 a year. Minimum compensation is $12.50 per week unless actual earnings are less.

16 DRAWER KARDEX STOCK
Record for sale. Almost new.
G. W. SADLER BELTING CO., LTD.,
38 Wellington St. East,
Toronto

MacKinnon Steel Corporation LIMITED

Notice is hereby given that a dividend of one and three-quarters per cent. (1¾%) for the quarter ending January 31, 1929, has been declared upon the 7% CUMULATIVE CONVERTIBLE FIRST PREFERRED STOCK of the Company, payable February 15, 1929, to shareholders of record February 1st, 1929.

By order of the Board.

J. M. S. MACDONALD,
Secretary.

January 29, 1929.

Canadian Car & Foundry Company, Limited

DIVIDEND NOTICE

NOTICE is hereby given that a dividend of one and three-quarters per cent. (1¾%) on the paid up Preference Stock of the Company for the quarter ending March 31st, 1929, has been declared, payable on the 10th day of April, 1929, to Shareholders of record on the 22nd day of March, 1929.

By order of the Board,
A. C. BOURNE,
Secretary.
Montreal, January 30th, 1929.

H. SIMON & SONS LIMITED

SIMON'S

Dividend Notice

The quarterly dividend of 1¾% on the Preferred Stock of H. SIMON & SONS LIMITED has been declared payable the 1st day of March, 1929, to stock-holders of record as of the 20th day of February, 1929.

By order of the Board,
A. E. M. WARNER,
Sec.-Treas.
Montreal, Que., January 25th, 1929.

SALESMAN WANTED

We have an exceptional opening for a salesman with a successful record in the automobile, security or insurance field. Interview by appointment.

BROCK
SECURITIES CORPORATION
LIMITED
200 Bay Street, Toronto
WAverley 2371

TOWN OF AURORA

Tenders will be received by the Town Clerk, Aurora, up to Feb. 15th, for the following issue of Debentures:

$8,000, Waterworks, 30-year, 4½%.

$10,433.50, Local Improvements, 15-year, 5%.

$3,800.00 Local Improvements, 15-year, 4½%.

Further small sum, L. Twp., 15-year, 4½%.

Equal annual installments of Principal and Interest. Payable at Treasurer's Office, Aurora.

M. L. ANDREWS,
Clerk.

Chartered Accountant

Man to take charge of department where investment analyses of corporations will be principal work. Excellent opportunity for young C. A. more interested in an opportunity where he can develop with growing organization than in immediate salary. Newspaper or investment experience valuable. Tell your story in first letter, and mention salary you will start at. Box 44, The Financial Post, Toronto.

FINANCIAL, INDUSTRIAL AND INSURANCE EXECUTIVES

I am a Barrister and Solicitor with considerable experience along these lines. I would like to become associated with a large financial or industrial company. Would consider position as Claims Adjuster with progressive insurance company.
Box 46, The Financial Post, Toronto

For men who want the best!
Piccadilly smokers seldom change to other tobaccos—as no other mixture is so pleasing in flavour, so high in quality and so delightful to the taste!
Piccadilly
SMOKING MIXTURE
In patent hermetic tins at twenty-five cents.
PICCADILLY
Smoking Mixture

BANK OF MONTREAL

NOTICE is hereby given that a DIVIDEND of THREE per cent. upon the paid up Capital Stock of this Institution has been declared for the current quarter, payable on and after FRIDAY, the FIRST day of MARCH next, to Shareholders of record of 31st January, 1929.

By Order of the Board.

FREDERICK WILLIAMS-TAYLOR,
General Manager.

Montreal, 22nd January, 1929.

The Canadian Bank of Commerce

Dividend No. 168

Notice is hereby given that a dividend of Three per cent. upon the paid-up capital stock of this Bank has been declared for the quarter ending 28th February, 1929, and that the same will be payable at the Bank and its Branches on and after Friday, 1st March next, to shareholders of record at the close of business on the 14th day of February, 1929. The transfer books will not be closed.

By Order of the Board,
S. H. LOGAN,
General Manager.
Toronto, 18th January, 1929.

Tender For Investment of Funds

Sealed tenders for the investment of the Funds of the Synod of Huron, London, Ont., will be received by the undersigned up to 1st March, 1929, from whom full information and form of tender may be obtained.

The Incorporated Synod of the Diocese of Huron,
W. J. DOHERTY,
Secretary-Treasurer,
Box 307, London, Ontario.

The Royal Bank of Canada

DIVIDEND No. 166

NOTICE is hereby given that a DIVIDEND OF THREE PER CENT (being at the rate of twelve per cent per annum) upon the paid-up capital stock of this bank has been declared for the current quarter, and will be payable at the bank and its branches on and after Friday, the first day of March next, to shareholders of record at the close of business on the 31st day of January.

By order of the Board.

C. E. NEILL,
General Manager.
Montreal, Que., January 11, 1929.

The Corrugated Paper Box Company, Limited

DIVIDEND NOTICE

A dividend of one and three-quarters per cent. (1¾%) for the quarter ending the 28th February, 1929, being at the rate of seven per cent. (7%) per annum, has been declared payable on the 1st of March, 1929, to Preference Shareholders of record at the close of business on the 14th day of February, 1929.

By order of the Board.
A. T. WHEALY, Secretary.
Toronto, January 29th, 1929.

QUEBEC POWER COMPANY

Notice of Redemption

To the holders of the Series "A" Thirty Year Six Per Cent. First Mortgage Sinking Fund Gold Bonds and Registered Debenture Stock of Quebec Power Company.

NOTICE IS HEREBY GIVEN that pursuant to the terms of the Trust Deed of Hypothec, Mortgage and Pledge from Quebec Power Company to National Trust Company, Limited, Trustee, dated October 25th, 1923, and Supplemental Trust Deed dated December 21st, 1923, securing the above mentioned Bonds and Registered Debenture Stock, Quebec Power Company will redeem all of its outstanding Series "A" Thirty Year Six Per Cent. First Mortgage Sinking Fund Gold Bonds and Registered Debenture Stock (which would, according to their terms, mature and become payable on October 1st, 1953) on the first day of April, 1929, at one hundred and seven and one-half per cent. (107½%) of the principal amount thereof, together with accrued interest on such principal amount to the said first day of April, 1929.

The said Bonds will be so redeemed at the principal office of the Royal Bank of Canada in the Cities of Montreal or Toronto, Canada, or at the principal office of the Bank of the Manhattan Company in the City of New York, in the Borough of Manhattan, State of New York, and bondholders are required to present their bonds with all unmatured coupons pertaining thereto for redemption at one of the said offices on the said date.

The said Stock will be so redeemed at the principal office of the Royal Bank of Canada in London, England, and holders of the said Stock are required to present their Stock certificates for redemption at the said office on the said date.

In case such Bonds and Stock are not so presented for redemption on the first day of April, 1929, all interest on said Bonds and Stock will cease from and after the said date.

DATED at the City of Quebec, this 1st day of December, 1928.

QUEBEC POWER COMPANY,
(Sgd.) James Wilson,
Secretary.

Referring to the foregoing Notice of Redemption, holders of the said Bonds may surrender the same at any of the offices where such Bonds are payable as aforementioned, and holders of the said Stock may surrender their Stock Certificates at the office where such Stock is payable as aforementioned, at any time on and after January 1st, 1929, and prior to the date fixed for redemption, and upon such surrender will receive a sum equal to the redemption price of one hundred and seven and one-half per cent. (107½%) with interest accrued on such Bonds or Stock to the date of surrender thereof.

QUEBEC POWER COMPANY,
(Sgd.) James Wilson.
Secretary.

DEBENTURES FOR SALE

Municipal Corporation of the Village of Creemore

Tenders addressed to the undersigned marked "Tender" will be received up to eight o'clock p.m. on Saturday, February 2nd, 1929, for the purchase of $26,000.00 debentures of the corporation of the Village of Creemore, Five (5) per cent., payable in fifteen yearly installments of principal and interest. Proceeds to be used for the payment of paved streets within the limits of said village, constructed as a local improvement, under the Local Improvement Act.

Highest or any tender not necessarily accepted.

Dated at Creemore, Ont., January 24th, 1929.

JOHN M. HOOD,
Village Clerk,
Creemore.

FOR SALE
Flour Mill Property
Carleton Place, Ontario

We have been authorized to offer for sale the Flour and Grist Mill formerly occupied by H. Brown & Sons, Limited. The plant consists of a large stone mill and approximately three acres of ground bordering on the Mississippi River and adjacent to the main line of the Canadian Pacific Railway twenty-five miles west of Ottawa. The plant is suitable for a flour mill, distillery, general factory or garage. Immediate possession. Property may be inspected at any time and no reasonable offer for the same will be refused. Apply to
YORK & AYLEN, Solicitors,
56 Sparks Street,
OTTAWA, Canada,
Telephones Queen 7411 and 7412.

Wayagamack Pulp & Paper Company, Limited

DIVIDEND No. 16

Notice is hereby given that a Dividend of Seventy-five Cents (75c.) per share has been declared on the No Par Value Common Stock of the Company, for the quarter ending February 28th, 1929, payable March 1st, 1929, to Shareholders of record at the close of business on February 15th, 1929.

By order of the Board.

D. L. ADAMS,
Secretary-Treasurer.
Montreal, Que., January 17, 1929.

FACTORY FOR SALE
at Pointe-Aux-Trembles, Montreal
Corner Lagauchetière and 8th Avenue
formerly occupied by CANADIAN FOOTWEAR COMPANY, LTD.
Large, modern, solid brick factory, 4 storeys high, 135' x 43' and addition 83' x 48' erected on land 184' x 153' with sprinklers, elevator and heating equipment.
EXCELLENT OPPORTUNITY
Apply to
General Trust of Canada, 112 St. James St. W., Montreal

Featuring Annual Convention of Canadian Pulp and Paper Association

SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

Vol. XXIII | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, FEBRUARY 1, 1929 | 10c. a Copy; $5.00 a Year | No. 5

Situation is Better Says Year's Report of President Jones

President of Association Says Worst of Newsprint Situation is Over — Possibility of Ridiculous Price-Slashing is Past

DESCRIBES MANIFOLD ACTIVITIES OF ASS'N

Association Spends Large Sums in Research and Assisting McGill University — Tariff Situation Mentioned by President in Annual Address

In his annual report at the convention of the Canadian Pulp and Paper Association, Col. C. H. L. Jones, the president, made the significant statement that in his opinion the worst is over in the newsprint situation and that same improvement can be looked for in the not too far distant future.

Col. Jones does not amplify his statement, but it seems apparent that he feels that the possibility of price slashing to ridiculous levels has passed and that there may be some real increase in the demand which would materially assist an already largely over-expanded industry. Of course the remarks of the president of the association can only be applied to the physical position of the industry, and not to its earning power during 1929. Whatever be achieved in the way of maintaining price levels this year will not alter the fact that profits for the current year will be seriously reduced—unless some utterly unforeseen factors should bring about a large and totally unexpected immediate increase in consumption.

President's Report

The report of the president outlines adequately the manifold constructive efforts of this, the largest and most important trade association in the Dominion. From his remarks and from the remarks of the chairmen of the various sections, printed elsewhere in this issue, the investor, the business man and the political leader may obtain a real picture of the exact position in which the industry now finds itself and the outlook for the future. Col. Jones' remarks follow:

My first duty, and it is a pleasant one, in inviting you to come to order for the sixteenth annual meeting of our association, is to extend to you my heartiest felicitations upon being enabled to meet, for the first time since the association was founded, under our own rooftree. Sixteen years ago, or even ten years ago, if any of us had been so ambitious as to suggest that the association might some day own a home of its own, such as this which we are about to inaugurate to-day, most of our members would have regarded him as, to say the least, somewhat visionary. That we are here bespeaks much for the virility of our organization. It bespeaks a great deal more, however, for the confidence reposed by our members in what they hope may be accomplished for the betterment of our industry by a serious, consistent and persistent investigation into its latent possibilities through the application of the principles of scientific research. If accommodation for the business side of our organization were merely concerned it is conceivable that the erection of such an edifice as this in which we are foregathered to-day would have no reasonable justification. Mere office accommodation is easily available and at moderate cost. It is, therefore, upon its usefulness as a home for the conduct of scientific and industrial research, as related to our peculiar industry, that our hopes are based and our faith is founded in the future of this building.

Origin of Institute

It was less than five years ago that our association first became definitely aroused to the necessity for intensive research into its problems. At our annual meeting in 1924, as most of you will recall, when the research committee of the technical section proposed a program involving the expenditure of a few thousand dollars, their proposal met with scant consideration and the scheme was temporarily abandoned. The committee's recommendations had the effect, however, of instigating serious thought among the leaders of our industry with the result that is in evidence here to-day.

Has Excellent Record

If we go back to the time when the first five thousand dollars was appropriated by the association to assist in the compilation and publication of the text-books on pulp and paper, which have since won such a distinguished place for themselves in this and other countries, and if we take note of all funds which the association has provided in the meantime for research and for educational and kindred objects, including the cost of this building, it will be found that the total sum exceeds half a million by more than ten thousand dollars. In addition, the association has become committed to a program covering the next five years which will require the expenditure of some seventy thousand dollars a year in the furtherance of this work. This may be taken as an indication of our serious interest in the scientific development of our industry, and I think we are justified in taking some small measure of pride in our accomplishment. Certainly no other trade association, at least in Canada, can show a better or even an equal record. Indeed, one of the gratifying developments which has followed our own procedure along these lines has been the quickening of interest in industrial research throughout the Dominion. We may not, perhaps, claim any credit for the fact that since we started upon our program, the Dominion Government has made an actual beginning with the long-mooted Central Bureau of Research at Ottawa, nor for the additional fact that the government of the province of Ontario has established a fund of $2,000,000 (which has been doubled by private contributions), to be applied to the encouragement of industrial research, but we may at least take credit to ourselves as being in the vanguard of the movement so far as Canada is concerned and of being the first of the larger industrial groups of the country to co-operate for the advancement of our industry by organized investigation.

Industrial Research

Canada, it has been remarked, is becoming increasingly prosperous and can well afford to take increased interest in, and to provide greater support for, industrial research. The United Kingdom, Germany, and other countries, in spite of burdensome taxation following the war, have been spending large amounts on research because they know sufficient of the achievements of this policy to convince them of its vital importance in helping them to regain their prosperity and their industrial prestige. Canada can better afford to invoke the aid of research, and she can look with confidence to obtaining big returns from whatever investments, through grants of public money or by private enterprise, such as our own, may be made for this purpose. If to any degree whatever our own efforts have set the pace or provided the inspiration for others, to that extent we feel we are to be congratulated.

What Has Been Done

To summarize, briefly, what we have accomplished during the past year, let me say that in bringing the Pulp & Paper Research Institute to its present state of completion, we have had to take full advantage of the authority given at the last annual meeting to the executive to draw upon the association's reserves for funds required to complete the building. Some accounts are yet outstanding so that a final report cannot be made at this time. It appears, however, that the total cost of the building and its equipment will approximate $325,000, of which the association has provided or will provide about $279,000. Some $46,000 additional is being provided by the government to pay for a portion of the equipment. There has also been installed in the building additional machinery and equipment, generously donated by the manufacturers thereof, to an estimated value of $50,000.

Work With Associates

The association has carried out its undertaking with McGill University and has provided that institution with an endowment for the upkeep and maintenance of the institute amounting to $100,000. Seventy-four thousand dollars of this sum was paid over in cash and twenty-six thousand in bonds of the building corporation.

The contract between the Dominion government and the association, under which the pulp and paper division of the forest products laboratories is jointly maintained, was renewed during the year and extended to cover a period of five years to June, 1933. The new contract differs hardly at all from the old except that it obligates the association to contribute a sum of not less than $20,000 a year during its existence to be applied to the expense of operating the division.

The year marked the passing of the old research section, whose chief function was fulfilled with the completion of the building. The section was merged in the technical section. A joint administrative committee has been created to control the operations of the institute in so far as the government and the association are concerned and both parties are adequately represented on this committee, of

(Continued on page 18)

Newsprint Industry Situation

Approximate* Daily Capacities of Mills

	Tons Per Day
Abitibi	2,200
Anglo Canadian	250
Bathurst	70
Beaver	71
J. R. Booth	158
Brompton	218
Canada Power	1,200
Canadian International	1,181
Donnacona	230
E. B. Eddy	127
Fort Frances	257
Great Lakes	125
Kenora	239
Lake St. John	220
News	35
Ontario	320
Pacific	244
Port Alfred	400
Powell River	471
Price Brothers	736
St. Lawrence	305
Spruce Falls	550
Thunder Bay	125
Wayagamack	170
Daily Capacity of Mills	9,902
Newfoundland Mills	717
Mexican Mills	57
United States Mills	5,500
Capacity of North American Mills	16,176
Production in December (approximate)	14,000
Approximate Surplus Capacity	2,176
	(Approximately 15 per cent.)

Projected Increases in Tonnage

New Tonnage	Tons	Scheduled
Canadian International	500	1929-30
Great Lakes	150	1929
Mersey	250	1929
St. Lawrence	160	1930
Bathurst	70	1929
Price Bros.	200	1929
	1,330	

Statistics Show Outlook for Newsprint Producers is Most Unsatisfactory

R. S. Kellogg's Statistical Figures on Industry Not Hopeful

STATISTICS REVIEWED

Advertising Lower in 1928 and Newspapers No Larger —Meeting of Newsprint Service Bureau

That the net overseas shipments of newsprint from this continent in 1928 were virtually equal to the increased production of the mills was a feature of the annual report of Royal S. Kellogg, secretary of News Print Service Bureau at that organization's annual meeting held coincidentally with the annual meeting of the Canadian Pulp and Paper Association.

This does not mean that the North American newsprint industry was able solely to increase its output last year through overseas exports, for in former years, the mills exported a fractional proportion of their output overseas. Nevertheless, there was a decided increase in overseas exports from this continent and the figures clearly reveal that the increased production of the mills was largely obtained from sales abroad.

Is More Significant

This is the more significant as in the past the North American mills have not regarded the overseas export business as profitable. Exports overseas have been used very largely to maintain a larger scale of operations at the plants with a resulting decrease in operating costs. With the decline in news. .int prices on this continent, though, the overseas business in future will protrude more prominently in the newsprint picture.

Mr. Kellogg's presentation of the statistical data surrounding the newsprint industry at the annual meeting of the Bureau w. not optimistic. An abstract of his remarks follows:

Operating at 83 per cent. of rated capacity, which was the lowest ratio since 1921, the North American newsprint mills made 4,044,000 tons of paper in 1928. This was an increase of nearly 7 per cent. over the previous year and equal to 60 per cent. of the world production of this essential commodity.

Decrease In U. S.

With an increase of nearly 300,000 tons over 1927, Canada turned out 2,380,000 tons of newsprint in 1928, or 59 per cent. of the continental total, while Newfoundland's contribution of 230,000 tons was 28,000 tons ahead of the previous year, and the 17,000 tons made and used in Mexico was a 20 per cent. increase for that country. Contrasted with new high records in Canada, Newfoundland and Mexico, the 1,415,000 tons of newsprint made in the United States in 1928 was a decrease of 70,000 tons from the previous year and the smallest production since 1921.

No Heavy Stocks

Shipments of paper from the mills during 1928 finally equalled production. There was a mid-year period of excessively heavy stocks, but these were worked off during the fall, so that at the end of the year, tonnage at the mills was equivalent to the normal figure of three and one-half days' production. Canadian exports of newsprint were 92 per cent. of production and 82 per cent. of these exports went to the United States. On the other hand, Canada sent approximately 275,000 tons of newsprint overseas in 1928 compared with 133,000 tons in 1927. There was also an overseas export of 98,000 tons of newsprint from Newfoundland in 1928 and 11,000 tons from the United States. Offsetting the 116,000 tons of overseas newsprint which came into the United States last year leaves a net continental balance of about 270,000 tons, or 7 per cent., which was marketed abroad—and this 7 per cent., it will be noted, is the same figure as the increase in continental production in 1928.

Overseas Shipments

Canada's overseas shipments of newsprint in 1928 went about 45 per cent. to Great Britain, about 25 per cent to Australia and New Zealand and nearly as much to the West

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Solution is Found to Ancient Problem

Since 1878 manufacturers of sulphite pulp have endeavored to produce a pulp made by the present quick cook bi-sulphite process which would equal pulp produced by the indirect method. Generally speaking, the pulp produced by the quick cook method was not as good as that produced by the indirect method. However, the costs have been considerably lower.

The main difficulty has now been overcome by a new process. The long sought solution has been put into operation in several pulp mills. Full details were given to the technical section of the Pulp and Paper Association in a paper read by A. D. Merrill.

CONSUMPTION SEEMS NEAR SATURATION

Newsprint Depends in Future Solely on Population's Growth?

OUTPUT STILL GROWS

Production Up Six Per Cent. Last Year—Average in Past Has Been 6.8 Per Cent.

The increased production of the Canadian and United States newsprint mills in 1928 shaped up fairly closely to the average annual percentage increase over the last 29 years of 6.8 per cent. The increase in 1928 was 6 per cent.

While production increased, yet the situation has been radically different from that existing in more recent years.

Since the war, and during the war years, production was increased to meet the larger demand for, and consumption of, newsprint in the United States. Consumption in the United States last year increased only marginally; a larger proportion of the greater output was shipped overseas where often the margin of profit is very slim indeed.

Within recent years there has been a steady per capita increase in the amount of newsprint consumed in the United States. But since 1926, the per capita consumption has remained stationary and the increase in the population alone brought about the marginal increase in consumption last year.

Less Advertising Now

In 1928 newspaper advertising was reduced and as a consequence the size of most of the dailies and Sunday papers averaged below that of last year. Offsetting these features, there was a slight increase in the circulations of United States newspapers.

For the future the Canadian industry may be forced to depend on a more gradual growth in the United States demand. Such a growth may be solely dependent on the increasing population of that country, rather than a substantial annual increase in per capita consumption. It has been the increase in the per capita consumption which has been largely responsible for the extraordinary expansion of the industry in the years following the war.

In any event, it seems probable that for the future there will be a less rapid increase in the demand than has been the case in the past. All of which indicates that it will still take a good many months before the consumption of newsprint again begins to creep up toward the rated capacities of the mills. More particularly as the industry is still expanding and installing new machines which cannot remain idle without bringing a loss of some kind to investors.

Has Other Side

The foregoing presents perhaps an over-gloomy picture of the industry which has experienced and successfully passed through thin times in years gone by and undoubtedly will pass through successfully the present lean years—but any rapid recovery in the industry can hardly be anticipated in view of the several factors which indicate a somewhat prolonged period of thin times.

One favorable feature in the whole situation is that ever since 1899, save

(Continued on page 19)

Outlook for Immediate Future Not Altogether Unfavourable Say Leaders at Convention

Convention Assists in Solving Problems of Industry and Nation

So important in the industrial fabric of Canada is the pulp and paper industry that The Financial Post this week devotes a special section to consideration of the annual convention of the association of members of the craft.

As a fundamental industry contributing to the purchasing power of the nation, as a basic activity into which vast sums of domestic and foreign capital have been poured, as a development which assists in opening regions heretofore known only to the hunter and trapper, as a means of bringing into use remote and otherwise temporarily valueless power resources, and as a business which is an advertisement to Canada, the pulp and paper industry ranks as the most important business activity in the Dominion.

The papers and addresses which were delivered at the convention deserve the attention of investors and the public generally because the attention of those who control the industry is one of enlightened unselfishness which sees the problems of the industry as a national problem. In attempts to synchronize production with demand and in dealing with the question of replacing the wood that is annually cut, the speakers without exception voiced plans and hopes which alike are in the interest of the nation and of the investing public. It is fair to assume that those practical men of finance, of science and of management will solve the problems which now face the industry.

Newsprint Production Reached High Record in Canada Last Year

U.S. Newspaper Advertising Declined Two Per Cent. From 1927

NEWSPRINT STOCKS

Thin Times Likely to Prevail Throughout Industry For Some Time to Come

The newsprint industry is faced with more serious problems than have confronted it for some years. Of course, there are two sides to the picture. Over the long pull, it is much easier to paint a rosy picture of the newsprint industry, than a gloomy one. But the immediate past are not, generally speaking, favorable. The prospect of a low price for newsprint is serious enough in itself. But the most serious aspect of the situation lies in the following: Production of newsprint from Canadian mills in 1928 was 14 per cent. higher than in 1927. Advertising lineage in American newspapers was 2 per cent. less than in 1927, and 6 per cent. below 1926.

Production Exceeding Demand

This is the main factor which does not improve the outlook for the Canadian newsprint industry at the present time. The market for the output of the Canadian mills is virtually confined to the United States. Consumption of newsprint in the United States is largely dependent on the growth of advertising lineage, which fundamentally determines the size of a newspaper and the amount of newsprint consumed.

The overproduction in the industry can be easily visualized when it is remembered that, despite the fact that production of newsprint is increasing, the demand, gauged by the volume of newspaper advertising in the United States, is declining. Increasing circulations have offset declining advertising though. Another point which will not tend to bring relief to the situation, is the projected increase in tonnage which will be completed during the next two or three years. These additions and expansions will increase the rated capacity of the whole North American mills by approximately 8 per cent. Unless production is scaled down, or demand for newsprint is materially increased, there

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Newsprint Industry in Nova Scotia Grows

HON. E. N. RHODES
at Pulp and Paper convention

"Although this province is the latest to enter the newsties which are not peculiar to print field it possesses quali-any other province; it is convenient to tide-water and has all the year round harbor facilities, with harbors free of ice. Another advantage is that the manufactured product can be transported at the lowest rate for water-borne traffic, without the intervention of a rail haul. Our water powers are sufficient for our needs. An additional advantage consists in the proximity of the raw material to the mill. The export of pulpwood in this small province last year amounted to 200,000 cords, cut from only a small portion of our timber area."

Newsprint and Mechanical Pulp Industries Still Languish

ASSOCIATION WORK

Has Been Important Factor in the Development of the Largest Single Industry of the Dominion

While not particularly optimistic in tone, the annual meeting of the Canadian Pulp and Paper Association presented a picture of the operations of the industry as a whole which cannot altogether be regarded as unfavorable.

The annual meeting of the Canadian Pulp and Paper Association, which took place at the close of last week, is undoubtedly the predominant and most important business gathering held in the Dominion, representing as it does, a complete cross section of the views of the leaders of the largest industry of Canada.

The less favorable lights on the pulp and paper picture were seen in the annual reports of the chairman of the newsprint and groundwood pulp sections. As an individual and independent industry, the mechanical pulp industry seems to be more or less doomed, according to the report of the chairman of that section of the industry.

Hope for the Future

The unsatisfactory situation existing in the newsprint industry is, of course, due solely to its over expansion. However, from a physical standpoint, the president of the association feels that the worst is over—there can be little doubt, though, that 1929 will witness a material decline in the earning power of this, the largest section of the industry.

However, any optimism touching the immediate future of the newsprint industry seems out of place in view of the remarks of R. S. Kellogg at the annual meeting of the Newsprint Service Bureau, held at the same time as the annual meeting of the Canadian Pulp and Paper Association. While the long pull outlook for the newsprint industry seems a little better, the statistical figures presented by Mr. Kellogg indicate quite clearly that no immediate betterment can be anticipated.

More Favorable Lights

There are, however, in the annual reports of the other sections, some cause for optimism. Despite the fact that the book and writing paper mills experienced increased competition from larger imports due to adverse tariff legislation early in the year, sales are increasing and these companies are operating profitably.

In the coated paper industry, business is fair, the mills averaging about five days per week through the year. The outlook for 1929 in these lines, though, is excellent. The wax paper industry in 1928 witnessed an improvement in conditions which should be continued in the current year.

The one unfavorable feature of the fine paper situation has been the thin times experienced by the tissue paper manufacturers. Two

(Continued on page 19)

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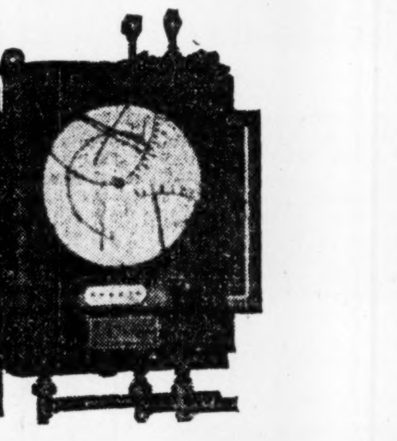

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STATISTICS SHOW OUTLOOK FOR NEWSPRINT PRODUCERS

(Continued from page 17)

Indies, Central and South America. Newsprint imports into the United States from abroad came in the proportion of 48 per cent. from Sweden, 35 per cent. from Finland, 9 per cent. from Norway and 8 per cent. from Germany. The average importation of overseas newsprint into the United States for the years 1921-1928 inclusive was 137,000 tons.

Newspaper Advertising

Newspaper advertising in 30 leading cities in 1928 was 2 per cent. less in volume than in 1927 and 6 per cent. below 1926. The newspapers of 100,000 circulation and over in the United States averaged 30 pages for the daily issues in 1928 as in 1927 and 1926. The Sunday issues, however, were reduced to 104 pages in 1928 compared with 107 pages in 1927, 111 pages in 1926 and 109 pages in 1925. Total English language daily newspaper circulations were reported at 37,973,000 copies for the six months ending September 30, 1928, and at 25,772,000 copies for the Sunday issues, which represented only a slight gain over the same period in 1927.

Actual Consumption

Total newsprint consumption in the United States in 1928 was in the neighborhood of 3,500,000 tons or 58 lbs. per capita, the same as in 1927 and 1926. A consumption of 50 lbs. per capita was reached in 1923, and the jump from this figure to 58 lbs. per capita in 1926 led some to think that a similar rate of increase would follow 1926. Such, however, has not been the case.

The capacity of the North American newsprint industry has doubled in the past ten years and is now 16,000 tons daily, of which 10,000 tons is in Canada. There is also an additional Canadian capacity in excess of 500 tons daily, a schedule to come into operation during the first half of 1929.

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PRODUCTION REACHED HIGH RECORD IN CANADA LAST YEAR

(Continued from page 17)

does not appear to be any immediate relief for the situation surrounding the newsprint industry.

Though the total output of the North American mills for the year 1928 showed a growth of 6 per cent. over the previous year, small consolations can be obtained from this increase. For the total tonnage of newsprint marketed overseas in 1928 showed a very substantial increase. The deduction is that the newsprint companies very largely were able to increase their output through their overseas sales; but the export market, broadly speaking, is not very remunerative. Heavy freight charges and difficulties in shipping, make for lower profits.

The foregoing constitutes the unfavorable factors in the outlook for the newsprint industry in the immediate future. Greater production, smaller consumption, and possible further cuts in prices for newsprint, are responsible for the continued depression in the stocks of the Canadian newsprint companies.

Long Term Outlook Better

On the other hand, there are many factors which improve the outlook for the industry over a term of years. In the first place the Canadian newsprint industry is becoming an increasingly important factor in the newsprint production of the North American mills. While Canadian production has increased steadily, with a 14 per cent. increase in output in 1928 over the previous year, the mills in the United States showed a decline in production. Output from the U. S. mills in 1923 was the lowest since 1921. The Canadian mills are steadily gaining a greater hold on the U. S. market. The United States consumption of newsprint has steadily increased over a term of years, but production there shows but little change from the 1913 or 1914 figures. The needs of the country have been met by large increases in imports, and these requirements have virtually solely been met by increased production from Canadian mills.

U. S. Consumption Big Factor

As consumption of newsprint in the United States depends upon the prosperity of the country, it can be seen that the situation surrounding the Canadian mills is partly governed by industrial conditions in the United States. That country has emerged from the generally unsettled state which accompanies the election of a new president, and the coming year may witness a period of greater industrial expansion. The logical result of this would be an increase in advertising space consumption and also in newsprint. The newsprint mills would benefit accordingly. The Canadian newsprint mills have worked their way into a very strong position in the U. S. market, and are in a dominating position to take advantage of any increase in demand for newsprint.

The mills in the United States, from now on, will offer perhaps less competition. The basis for the predominance of the Canadian industry lies in its lower costs. Many of the United States mills by 1914 had reached the limits of their forest resources. In some instances, they only had sufficient wood to allow the continuous operation of their plant without further expansion. Moreover, it became more economic to install further machines in Canada, where logs could be cut to the mills, and there driven by water to the plants.

Thus, the present condition of over expansion in the industry will not be aggravated by American mills. Indications all point to a decline in their production. Any increase in consumption in the United States of newsprint, should be felt immediately in the Canadian newsprint industry.

Financial Position Strong

The immediate future of the industry is so largely dependent on the future price of newsprint, that it is difficult to form any definite opinion on the shares of the newsprint companies to-day. At present, the newsprint companies all appear to be in a good financial position to withstand the lean times prevailing in the industry. When newsprint prices first started to increase during the war, the companies were able to build themselves into a strong financial position. After the war, newsprint soared still higher and even touched at one time, $130 a ton. This was for small lots, only, however. The managements of the companies took advantage of these fruitful days and put aside large reserves. When the slumps finally came at the end of 1920, the mills strongly entrenched and stood the shock well. With this precedent, it is thought that the present situation will be weathered satisfactorily.

Outlook for Long Pull

Since 1920, the price of newsprint has more or less steadily declined. Recently under the pressure of the International Paper contract, prices have touched lower prices than they have for years.

During 1926, operations at the mills were maintained at capacity, and income accounts showed good results. During 1927 the scale of operations declined and consequently there were declining earnings. During 1928, the scale of operations at the mills fell off again so that earnings will be lower than in 1927. In 1929 profits will be still lower.

However, over the long pull it seems certain that the Canadian newsprint stocks will prove their value—but it may mean a long wait. Canada has cheaper water power and more abundant wood supplies than the United States, and while the mills in the U. S. have practically reached the limit of their productivity through lack of raw materials, the Canadian newsprint industry still has raw materials for further progress and expansion.

Canadian mills, on account of their natural advantages can produce newsprint more cheaply than the average American mill. Canadian mills are more modern than the American mills. Many of the American mills, rather than expend more money on expansion and improvement, have turned their plants over to the production of fine paper or power.

Output has Large Increase

Over a term of years, production from the Canadian mills has shown a steady and rapid increase. The output to-day is just double that of 1922. This increase in production, accompanied the increased demand for newsprint, in the United States. Though the present over-production makes for hard times in the industry, there seems to be no doubt that consumption of newsprint will resume its upward trend in the course of a year or so. The capacities of the mills on this continent to-day are between 25 to 30 per cent. in excess of the demand for the product. It will take some time before consumption can pick up the ground it has lost and also take care of the increased capacity of the mills. But Canada is prosperous to-day, and the conditions in the United States are not likely to fall into a depressed state. The present situation, with its adverse effect on the newsprint stocks at worst can only continue for a few years.

Newsprint stocks may go lower; depending on what the immediate future holds for the industry. At present the stocks are speculative, for a quick turn they are more than that. But over a period of years, with Canada's predominance in the United States newsprint market, the industry will work its way out of the unsatisfactory conditions which surround it.

SITUATION IS BETTER SAYS YEAR'S REPORT OF PRESIDENT JONES

(Continued from page 17)

which Mr. F. A. Sabbaton is the chairman.

During the year, the association was advised that McGill University proposed to establish a chair of fuels and fuel technology, which it was anticipated would render valuable service to those industries using coal, and that financial assistance would be welcomed. Through a canvass of our members the sum of $1,200 was raised and turned over to the university with assurances of similar support for some years to come. We are advised that the chair has been established and is now functioning.

With these unmistakable evidences that the industry is convinced of the efficacy of research, it devolves upon the individual companies comprising the association to bring to its full fruition the germ of the idea that has now reached the stage of a practical plant. The companies must do three things: 1. Acquaint themselves with the facilities of plant and the staff available; 2. Bring to the research institute such problems as come within its scope; 3. Take the results of work done here and apply them intelligently to the local problems of mill control and operation. In other words, you should bring your grist to the mill, but you must also be prepared to bake and consume your own bread. The institute is ready and anxious to serve you. It is in your own interest to co-operate by giving it a chance, having regard for the fact that patience and sympathetic support will greatly facilitate the working out of the endeavor.

Sectional Activities

The foregoing concludes all I have to report upon research and educational matters which have become a predominant feature of our general activities. It is, perhaps, unnecessary for me to deal separately with the affairs of the several sections, which are fully covered in the reports now in your hands. The technical and woodlands sections are both in a very healthy state. The woodlands section's experiment of employing its own technical advisor has quite justified itself. Mr. A. M. Koroleff, who was chosen for the post, is rendering valuable assistance to those of our members who have occasion to requisition his services. The technical section, under the guidance of Mr. H. J. Buncke, has enjoyed a successful year. Its membership has increased and a number of important problems have been attacked. The growth of this section and the development of its work encourages the executive to hope that it will soon be possible to place its affairs on a more permanent basis as its officers have long desired should be done.

Meets Many Difficulties

We are all acquainted with the difficulties that have beset the newsprint manufacturers. It was inevitable that with the rapid expansion of mill capacity and an unlooked-for slackening of the normal rate of increase in newsprint consumption by the American publishers some readjustments would become necessary. It is encouraging to know that our newsprint members have made valiant attempts to cope with a difficult situation and that their efforts have not been wholly in vain. I trust I shall not be accused of undue optimism if I say that in my view the worst of the situation is over and that improvement is not very far distant. An encouraging feature of the year for the newsprint branch was the steadily increasing demand for Canadian paper in both the American and the overseas markets.

Chemical Pulps Better

The chemical pulp industry has enjoyed a very good year. Mechanical pulp, on the other hand, has suffered, like newsprint, through the inability of the market to absorb the output and a generally unprofitable year has followed in consequence. The mechanical pulp section, under the chairmanship of A. Stewart McNichols, carried on a thorough investigation of conditions affecting that branch of the industry with a view to improvement and, at least, brought some light to bear on the situation.

The paperboard section reports substantial progress. Additional producing units were brought into operation during the year and while keener competition prevails among domestic producers and is also met with from foreign sources, this branch of the industry is in a comparatively healthful state. The section has recently been reorganized and is now in a position to render better service to its members.

Fine Paper Situation

The book and writing and fine paper sections have enjoyed a fairly prosperous year. Some of the companies have been reorganized or recapitalized and some consolidations have been effected. Book paper manufacturers early in the year were faced with an application before the advisory board on tariff and taxation for the removal of the duty on book paper imported by publishers. The paper manufacturers, with the assistance of the association, opposed the application but their efforts were unsuccessful. Publishers of farm journals and of magazines for general circulation are now able to bring in their paper from abroad at a negligible rate of duty. The result has been greatly to increase the volume of this class of paper brought into Canada, it being impossible for our manufacturers under existing conditions to compete with foreign producers. The net result is lessened opportunity for Canadian labor and Canadian capital and a brake upon Canada's industrial expansion. It is unfair, furthermore, as the report of the section makes clear, to the Canadian paper manufacturers to deprive them of the benefit of the protective policy upon which the economic structure of the country is based, and require them at the same time to pay duty on many articles and commodities which are necessary to their business. It is anomalous, furthermore, that Canada should provide a practically free market for American book paper when the American market is closed to Canadian producers and that we should supply American paper manufacturers with a large proportion of their chief raw material in the form of unmanufactured pulpwood without adequate return but with the effect of enabling them to compete with us in our own market.

Customs Work

It will be recalled that the association has made several efforts to secure the appointment by the customs department of an appraiser properly qualified to pass upon importations of paper entering this country in order to ensure their compliance with the customs regulations. It has been apparent for some years to those familiar with conditions that paper has been coming into Canada misclassified or undervalued, although it has been difficult to obtain legal evidence thereof. The request for a special paper appraiser not having been met with favor by the department, the book and writing section, whose interests have been chiefly affected, some months ago engaged an expert of their own for the purpose of checking up upon importations and generally to promote the demand for domestic paper. Mr. Louis Lemieux was engaged for this purpose. The result of his work has been such that the section recommended to the executive council that he be re-engaged as a member of the permanent staff of the association and the scope of his work extended to include all sections. The recommendation has been approved by the council and the services of Mr. Lemieux have been retained for another year.

Adds New Members

Summarizing the activities of the association, not included in the above outline, I may say that its various departments have functioned satisfactorily as usual. The executive council have held five meetings during the year all of which were well attended. The membership has been increased by the admission of five new members, and there have been no withdrawals. The new members are:

Dominion Boxboards Limited, Toronto.

Ste. Anne Paper Co., Ltd., Quebec.

Manitoba Power & Paper Co., Ltd., Pine Falls, Man.

Mersey Paper Co., Ltd., Liverpool, N.S.

Fraser Companies, Limited, Edmundston, N.B.

G. H. Millen's Death

It is with deep regret that I am called upon to record the passing of two of our best-known and most widely-esteemed members, Mr. I. H. Weldon and Mr. George H. Millen. Mr. Weldon, as head of the Provincial Paper Company, was one of the outstanding leaders of our industry. He took an active part in the organization of the association and was its second president, occupying the executive position during the year 1915. He subsequently displayed an active interest in all of its affairs and was seldom absent from our annual gatherings. His death, at a comparatively early age, is deeply deplored. His memory will long survive.

In the death of Mr. George H. Millen, the industry lost one of its distinguished veterans and one who had been associated with it from its earliest beginnings. As the directing force in the E. B. Eddy Company, Mr. Millen was known to and esteemed by practically everyone connected with the paper trade in Canada. He had reached the advanced age of 90 years and up to the time of his last illness had maintained an active contact with the trade. His life was an example of faithfulness to his trust and a worthy example to those who follow.

Conclusion of Remarks

In conclusion, as president of your association, I should like to point out that while to-day's meetings mark an epoch in our history and find us, as it were, on the crest of a wave of successful achievement, we should not lose sight of the fact that the immediate future holds many problems in store for us and that there will be numerous difficulties to contend with. Financially, the association is committed to a somewhat ambitious program, but which need not and will not prove unduly burdensome if the members continue, as in the past, to give it their wholehearted and loyal support. We have put our hands to the plow and it is unthinkable that we should look back. We have within the last three or four years stressed the desirability of co-operative effort in research work, looking to improvements in our manufacturing methods, and can at least congratulate ourselves upon having provided the means for this development and brought it to its present satisfactory basis. Much still remains to be done. But we should not let our enthusiasm for this branch of our activities, important though they are, obscure the fact that as a trade organization we also have other and to some of us perhaps not less important functions which, if we fail to perform, will render the association of less value to many of our members. As an organization we exist primarily, for the purpose of promoting the business of our members, of improving their service to the public through the compilation and distribution of information, and the co-operative handling of problems common to the production and distribution of the commodities with which we are concerned. The success of the association in the future, as in the past, will depend very largely upon the manner in which we discharge these obligations.

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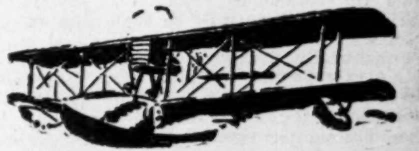

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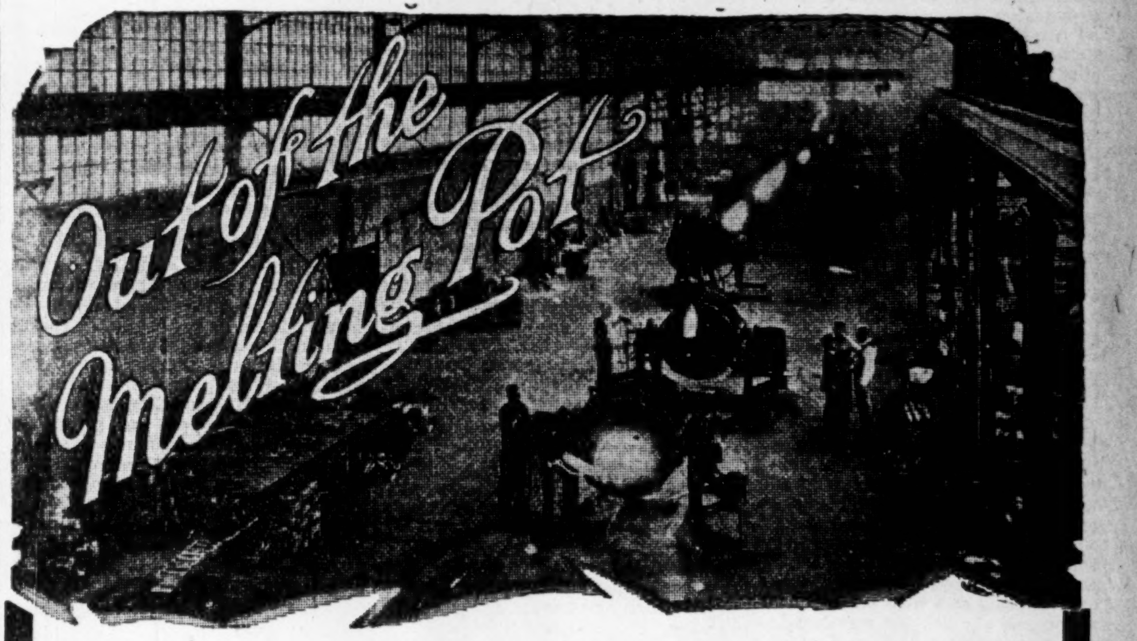

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MODERN PROBLEMS RENDER LOGGING MORE DIFFICULT

Labor and Equipment Higher—Cost Accounting Essential

PROF. BRYANT SPEAKS

Reviews Logging Industry — This End of Business Deserves More Consideration

Reviewing the long period of years in which logging has been an important industry on the North American continent, professor R. C. Bryant, of the Yale Forestry School, spoke before the annual meeting of the Woodlands section of the Pulp and Paper Association in part, as follows:

Logging problems to-day are more complex than they once were. Labor costs are higher, equipment is more expensive, and labor is less efficient; hence, greater attention to cost accounting is essential to secure a satisfactory cost for products delivered at the mill, and it takes a more skilled supervisory force to make a good showing. For the latter often is so engrossed in the financial problems of his manufacturing concern and in selling his products in a highly competitive market that he fails to give the time and thought to the woods end of the business that he once did.

A prominent Lake States operator not long ago remarked that he was frequently surprised that the men who are in charge of logging operations make such an excellent showing. All too often, through the unintentional failure of the management to give due consideration to the woods end, or because of actual indifference, "the woods superintendent is allowed to go out bare-handed from the mill into the timber with a few rolls of tar paper and hay wire, a sack of prunes, and a few I.W.W.'s, and is expected to set up housekeeping."

Conditions, of course, are seldom as unsatisfactory as the above statement might indicate, but it is true that there is a wider range in costs between different operations in a given region than there should be; and, in general, you will find that those operations which have the more favorable costs are those in which the men who head the general organization take more than a passing interest in the woods work.

Costs Are Higher

Costs are gradually mounting upward, and this has led the more thoughtful loggers to adopt more intensive analytical methods to prevent them from getting out of bounds. The efforts to solve the present-day problems have been directed along many lines, with strong emphasis on securing greater efficiency from labor in every branch of the work, and on so standardizing logging practice that each logging superintendent may have at his command the combined knowledge of his fellow workers in the same field. No man can possibly hope to live long enough intelligently and most wisely to solve, by his own efforts, every logging problem that may confront him during a long career: he can only acquire this knowledge, within a reasonable time, by being able to take advantage of the best technique of the region, and this can only be made available through co-operative effort.

It would be easier to discuss the trends in the development of woods work by regions rather than for the continent as a whole, because there is such a great variation in climate, topography, stand, size, and character of timber in each region that the development in the different sections often has been quite dissimilar.

Each region has had its own special problems, and the loggers have attempted to solve them each in his own way. There has been some interchange of ideas between regions, because those in charge of logging in the more recently developed sections often came from logging districts where the industry had passed its peak. For many years this benefit applied only to individual operations; because loggers, as a rule, were extremely individualistic, and to a large extent played a "lone hand;" hence, there was a great difference in the quality of work in different parts of the same region. This exists to some extent to-day; but the spirit of co-operation among loggers has grown tremendously during recent years, and the old-time reticence has been dissipated to a great extent through associated effort. Organizations such as your Woodlands Section have been a most important factor in promoting the more efficient development of the logging industry, and I know that your industry and the companies you represent will receive ample dividends for the time and effort you have spent in promoting the character of work you have undertaken in the past and which you propose to carry on in the future.

Important Changes Made

Most of the important changes in woods work have been due to a new conception by loggers of the economic importance of the raw material they are engaged in harvesting and to a greater appreciation of the need of high-class technique in solving the practical problems. Among the more important of these trends are the following:

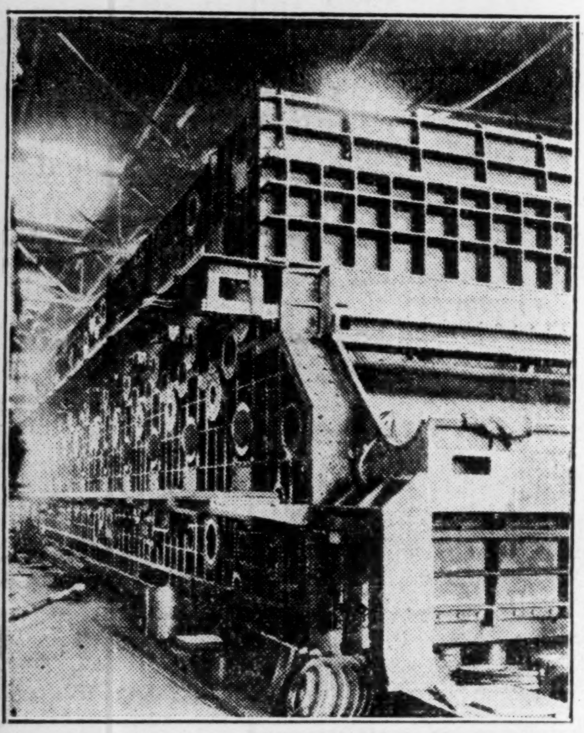
1. A constantly increasing feeling of responsibility on the part of the woods department for the need of the adequate control and prevention of forest fires, both on logging operations and in the forest in general. This has been due not only to the necessity for adequate protection of the capital investment in raw material and equipment but also to a greater appreciation of the desirability and necessity for forest perpetuation.

2. The transfer of the control of logging from the old-style practitioner to that of the trained specialist. The present-day complex logging problems, coupled with the higher costs and the heavy investments in logging equipment, demand more skilled direction than the old-style logger possessed.

3. The great advance in the standardization of logging practice in all of its phases, and the resulting tendency toward the mechanization of the industry. This trend has been due, chiefly, to the co-operative effort and the studies made by organizations such as yours, which have led to results of great importance to the industry at large, and have provided the incentive for companies to engage, independently, in similar research.

4. The marked advance made in the utilization of the raw materials in the forest. This has led to the more intensive use of the total wood content of given trees, and to the effort to eliminate those trees and logs which, because of size or quality, cannot be logged and converted into a marketable product at a profit.

THE
MINTON VACUUM PAPER MACHINE DRYER
will reduce paper production costs



The above cut shows one of the 234" Vacuum Dryers in process of assembly. This Dryer is now being installed at Price Brothers' Mill, Riverbend, and consists of 22-5' diameter by 234" face dryers designed to run at 1,200 feet per minute in the manufacture of newsprint.

There is also now in the process of manufacture a 100 ton Vacuum Pulp Dryer which will be installed this spring at the plant of the Brown Corporation, La Tuque, Que.

The New and Improved Method of Drying Paper

Economies of operation have now been definitely established, sufficient to warrant replacing present equipment with Vacuum Dryers.

In the case of new installations, economies of operation are so great that there can be no question about installing Vacuum Dryers. Only half the floor space is required and the problem of ventilating the machine room is eliminated.

Minton Vacuum Dryers have passed successfully every test for economy of steam, quality of paper made, freedom from mechanical troubles, reduced felt cost, general machine efficiency.

MINTON VACUUM DRYER COMPANY
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511 St. Catherine St. W. Montreal

CONSUMPTION SEEMS NEAR SATURATION

(Continued from page 17)

for two years, the output of the mills has increased and this annual increase has been absorbed. Moreover, lower prices this year will to some extent bring about a larger consumption. In only two years since the beginning of the gay nineties has the output failed to move up to new levels and in one of these years the output only fell off by 2 per cent.

In any consideration of the growing production on this continent the fact that in 1915 and in 1927 there was only a negligible increase in the output must be taken into consideration.

Increases In Past

The following table shows the annual increases in the newsprint output of Canada and the United States:

**Average Yearly Increase in Newsprint Production
Canada and United States**

Year	Increase Per cent.
1899-1904	10
1904-1909	8
1909-1913	6
1913-1914	4
1914-1915	unch.
1915-1916	11
1916-1917	6
1917-1918	*2
1918-1919	9
1919-1920	10
1920-1921	*15
1921-1922	24
1922-1923	9
1923-1924	8
1924-1925	8
1925-1926	17
1926-1927	unch.
1927-1928	6

29 year average 111,000 tons, or 6.8 per cent.

* Decrease.

OUTLOOK FOR FUTURE NOT UNFAVORABLE, SAY LEADERS

(Continued from page 17)

mills formerly producing tissue paper went into liquidation this year. The outlook for this section of the industry, though, seems to have improved a little of late.

With the exception of mechanical pulp, the pulp producers have experienced a fair year in 1928. Due to a strike in the Swedish mills, early in 1928, the demand for sulphite pulp has been fairly satisfactory. The statistical position of this industry at the present time indicates that 1929 should prove as successful for these companies.

The kraft paper producers have undoubtedly experienced a very satisfactory year and with the general prosperity prevailing throughout the Dominion can look forward to a successful year during 1929.

Despite the large increase in the capacity of the Canadian paperboard mills, this industry has been making satisfactory progress and the increased output of the domestic mills has been absorbed without any adverse effect on the market situation. The felt mills, which depend largely on building and construction in Canada, felt a steady demand for their output with little fluctuation in price.

Satisfactory Feature

From an investment standpoint it is satisfactory to note that the entire industry, despite the somewhat leaner period through which it is now passing, has not reduced, but has steadily increased its appropriations for research work along many lines, and also, is steadily endeavoring to increase the educational facilities available for its employees.

All of which cannot fail but to result eventually in large savings in operating costs, and physically, will place the industry in a dominant operating, as well as producing, basis among its competitors throughout the world.

The important reports presented at the annual meeting appear elsewhere in this issue. From them the investor can obtain an excellent picture of the exact situation in which the industry now finds itself.

Story of Association

The Canadian Pulp and Paper Association is one of the most important groups of business men in the Dominion as the industry pays out annually more in wages, has a greater invested capital and employs more people than any other single industry. One of the striking points about the association is the fact how well those in the industry as a whole pull together. There are many trade associations, but none appears to have the life, verve and enthusiasm which inspires the executive of the Canadian Pulp and Paper Association. The member companies stand back of, and strongly support the executive, with the result that when the association speaks, it speaks as one having authority.

Founded in 1913

The Canadian Pulp and Paper Association is the trade organization of the manufacturers of all kinds of paper and of the pulps from which paper is made, together with many other articles based upon the pulping of various kinds of fibre. It was formed in 1913. Within the association there have developed some fifteen sections representative of different branches of the industry, and functioning separately so far as the interest of those branches are concerned.

The aims of the association are to promote the business of manufacturing pulp and paper in Canada; to improve the quality of the industry's products; to keep its members advised on new developments, especially those affecting market conditions; to collect and distribute statistics of the industry, having relation to production, shipments, stocks in reserve, imports and exports; to assist in meeting transportation problems; to deal with questions arising out of the customs and excise laws; to watch legislation both in the Dominion Parliament and in the provincial legislation with a view to opposing enactments detrimental to the industry; and to advance the interests of the industry by proper advertising and publicity.

Sole Official Organization

The Canadian Pulp & Paper Association is not merely the sole official organization representative of the common interests of the pulp and paper manufacturers. This would not in itself suffice to give it a claim on the support and loyalty of all such manufacturers, if it were not also a live and energetic body, functioning efficiently in all the various spheres in which collective action by the entire industry or any of its branches may be called for.

But the association, thanks to the continuous, hearty and active co-operation of its members, and to the devoted services of a long series of past presidents and of the executive council, has from its very foundation been a powerful force for the advancement of the industry, and has certainly had much to do with its extraordinary expansion in the last thirteen years.

The association's activities are manifold. It issues weekly and monthly reports on production, shipments, etc., covering all the varieties which its members are engaged in producing. It maintains by cable an interchange of information with the Scandinavian Cellulose Association, whose headquarters are in Stockholm, and with the pulp and paper producers of Great Britain, Sweden, Norway, Finland and Germany. Periodical reports covering these countries are regularly received and distributed.

Maintains Research

The association endeavors to promote efficiency in the technique of the industry, and maintains for that purpose a Technical Section, composed of the principal technical men in the mills, and a Woodland Section made up of the leading woods experts of the industry. The latter section employs a forestry and logging expert, who gives his entire time and service to solving the problems arising in these branches of the industry. The association has contributed $26,000 toward the expense of a series of vocational textbooks intended to promote efficient workmanship in the mills. It is helping to maintain and carry on a correspondence course for mill operatives, based on these textbooks, in which some 650 students have enrolled.

Research Contributions

The association also contributes $7,500 a year toward the maintenance of a Chair of Industrial and Cellulose Chemistry, occupied by Dr. Harold Hibbert, D.Sc., Ph.D., at McGill University. It contributes $25,000 a year toward the support of the pulp and paper division of the forest products laboratories, maintained by the Dominion Government, and participates in the management and the work carried on therein.

In 1926-27 the association raised $350,000 with which to provide suitable accommodation for the pulp and paper division and the Chair of Industrial and Cellulose Chemistry and for permanent headquarters for the association itself. This building, located in Montreal, fronting on University Street and adjoining McGill Campus, comprises, in addition to an up-to-date cellulose research laboratory, a fully equipped experimental pulp and paper mill, as well as commodious accommodation for the association's permanent staff.

The association is on a sound financial footing. Its income is derived from the annual dues of members, these being based on the actual tonnage production of the members. The annual meeting of the association is held in Montreal in the last week in January. Between meetings the affairs of the association are governed by an executive council comprising representatives of all branches of the industry.

Several Sections Specialize

Matters affecting only particular branches of the industry are dealt with by the appropriate section. The association includes the following sections, each of which has its own chairman, holds periodical meetings, and functions independently in its own field; newsprint, book and writing paper, felt, board, coated paper, waxed paper, kraft, chemical pulp, and mechanical pulp.

The first meeting for consideration of the project which eventuated in the Canadian Pulp & Paper Association was held in Toronto on March 8, 1913, and appointed a committee on organization consisting of Messrs. Carl Riordon, I. H. Weldon, C. Howard Smith and George Challes. This committee reported to a meeting in Montreal on March 18, and the association was formally constituted on the following day, with Mr. Carl Riordon as first president and an executive composed of T. J. Stevenson, A. F. Cayford. I. H. Weldon, D. F. Robertson and C. Howard Smith.

The new organization immediately applied itself to a number of the activities which now engage its interest, such as the gathering and dissemination of trade statistics, the establishment of a recognized body of trade customers, the encouragement of a recognized body of trade customs, the encouragement of the consumption of domestic products as opposed to unnecessary importation, and to questions relating to the tariff, transportation, betterment of labor conditions, regulation of credit, technical research, industrial efficiency and other matters.

Dawe Appointed Secretary

In 1917 A. L. Dawe was engaged as permanent secretary, and not a little of the subsequent progress of the association has been due to his energy and enterprise and to the working methods which he established. In 1921 Mr. Dawe was succeeded by the present secretary, Edward Beck.

Thanks partly to a steadily increasing co-operation by the members, the statistical and other bulletins issued by the association have increased year by year in number, scope and timeliness. The transportation department has handled a large number of cases, and has in many instances, secured adjustments of rates to the advantage of members. Questions relating to the tariff, the government regulations concerning forest conservation, the compensation of employees, and (during the war) the regulation of prices and deliveries, have engaged a great deal of attention and from time to time have necessitated the expenditure of large sums for the presentation of evidence and argument before governmental bodies. It has been generally felt by the members that these efforts and expenditures have been amply justified by the results attained.

The association's efforts to expand the market for Canadian pulp products have been continuous and energetic. One of the most notable results, and one for which the association may take a large share of credit, is the adoption of the preferential trade agreement with Australia, which has already added a considerable volume to the exports of Canadian paper, and provided a most valuable outlet for that part of industry situated on the Pacific Coast.

The association has throughout its career enjoyed the advantage of having as its president one of the outstanding leaders of the industry. Included in the list is Carl Riordon, Riordon Pulp Corporation, Montreal, (1913-14); I. H. Weldon, Provincial Paper Mills, Toronto, (1915); J. H. A. Acer, Acer & Co., Montreal, (1916); C. Howard Smith, Howard Smith Paper Mills, Montreal, (1917); F. J. Campbell, Canada Paper Co., Windsor Mills, Que., (1918); J. A. Bothwell, Brompton Pulp & Paper Co., East Angus, Que., (1919); George Chahoon, Jr., Laurentide Co., Grand'Mère, Que., (1920); P. B. Wilson, Spanish River Pulp & Paper Mills, Sault Ste. Marie, Ont., (1921); Geo. M. McKee, Port Alfred Pulp & Paper Corp., Montreal, (1922); H. F. E. Kent, W. J. Gage & Company, Toronto, (1923); George Carruthers, Interlake Tissue Mills Co., Toronto, (1924); Frank W. Clarke, Gulf Pulp & Paper Co., Quebec, (1925); L. R. Wilson, Abitibi Power & Paper Co., Montreal, (1926-27); C. H. L. Jones (1928).

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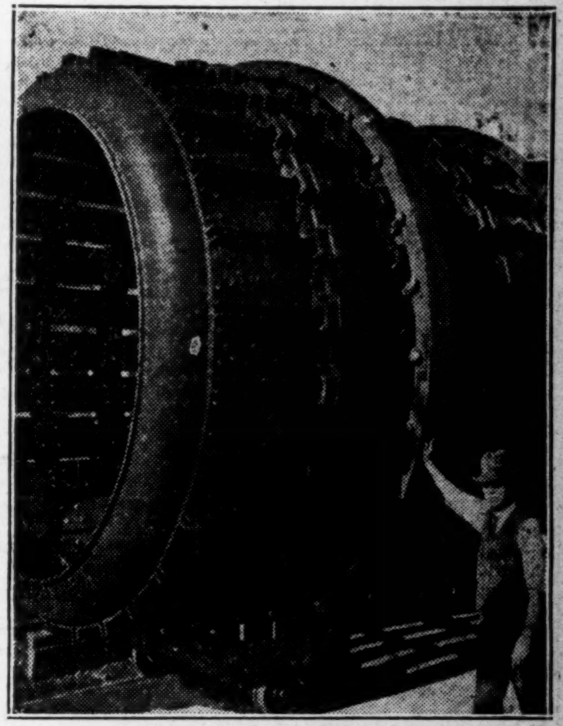
Can we say more?



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LOGGING CHUTE IS LARGE FACTOR IN TIMBER WORK

Logging in Eastern Canada Represents Big Problem

SAVINGS POSSIBLE

By Employment of Better Methods in Chute Construction—Logging Betterments Indicated

The diverse methods of constructing chutes for logging operations were pointed out by A. Koroleff, secretary of the Woodlands Section, in a paper read at the annual meeting of the section. Mr. Koroleff said in part:

In Eastern Canada, logging in a rough country where horses are badly handicapped represents a problem of increasing importance. Transportation of wood over steep or rocky ground may be done by means of cableways, inclines, or gravity chutes. The first two methods are practiced in the mountainous regions where timber is large and the stand per acre is heavy, but they are not used in pulpwood operations of Eastern Canada.

It is possible that aerial tramways or skylines operated by light skidders or "donkey engines" may prove practical in best stands of pulpwood on very steep mountain slopes. However, a special type of such equipment and modified operating methods are probably necessary to answer local conditions. This possibility is being investigated through the courtesy of the Clyde Iron Works and the Lidgerwood Manufacturing Co.

Inclines operated by power winches might also find an application where a large quantity of pulpwood must be lowered from steep mountains over the same route. A simple type of gravity incline, operated by a snubbing device like the Barrienger brake, would probably have greater chances for success in this region than power inclines requiring heavy machinery and expensive improvements. Attempts to receive co-operation of the Barrienger brake manufacturers in experimenting on adaptations of this device for a gravity incline in Canadian pulpwood operations have been futile so far, but the case is not hopeless.

The most promising method for economical logging of pulpwood in very mountainous country is, however, offered by chutes, and they may be practical even where topography is not very rough.

Chutes, known also as slides or dry sluices, are troughs made for the transportation (sliding) of wood in the course of logging. In "running" or "gravity" chutes, which are made down mountain slopes or along steep valleys, the wood slides down because of gravity. "Trailing" chutes, built on comparatively level ground, serve merely to guide wood and to avoid the difficulty of moving it directly over the ground; with these, motive power is supplied by horses, crawler tractors, or "donkey engines." Running chutes are used much much more widely than trailing chutes or chutes of a mixed type. Trailing chutes are quite common only in Idaho and Montana, and are found occasionally in some other regions of the United States or in British Columbia; while gravity chutes are used in almost all mountainous countries where logging is of importance.

Chutes seldom serve as a major method of transportation. As such, they are found once in a while in Idaho and Montana, in Carpathian Mountains in Europe, and in India; but, as a rule, chutes merely form a connecting link between skidding or hauling of wood and long distance transportation by water or other means. Most frequently they are used on distances from a few hundred feet to a ¼ or ½ a mile, to get logs to a waterway down a slope too steep or too rough for horse haul.

Many Chutes Constructed

The usefulness of chutes in logging may be well illustrated by their extensive use in Idaho and Montana; in these two states, about 250 miles of wooden chute are constructed annually. A great variety of logging methods are used in that region, including sleigh haul with horses and tractors, yet chutes are of greater importance than all other improvements combined, with the exception only of logging railroads. Such extensive use of chutes there is not due merely to the rough topography, since perhaps half of the chutes are of a trailing type, and are laid mostly on fairly level ground. At first, chutes were used in the Inland Empire, through necessity, on very rough ground, but gradually loggers became so adept in constructing and operating them that now they often find it economical to use chutes, even under easy logging conditions, in preference to other means.

In Eastern Canada, on the contrary, chutes are used to a very limited extent, in spite of the fact that in many regions conditions are quite favorable. This is chiefly due to the fact that, with a few exceptions, local loggers are not well acquainted with chutes, and hauling of wood by horses is often regarded here as the only way of logging, even where horses are very badly handicapped.

Nearly All Running Type

It is true, of course, that very rough country comprises only a minor portion of Eastern Canada. Yet many pulpwood operations extend now into such territory, and loggers can not well afford longer to use horses under entirely unsuitable topographic conditions, or to leave too much wood as "inaccessible" after taking only the cream.

Practically all chutes made now in Eastern Canada are of a running type*. Trailing chutes are considerably less efficient with small wood like pulpwood in this region, than with larger logs. It is reasonable, however, that trailing chutes or chutes of a mixed type could be used here to advantage. In case of a large quantity of wood coming down a very steep slope into a fairly wide and flat valley, conditions often call for chutes of mixed type. If wood is chuted to the bottom of the hill only, its transportation to the river, in spite of a short distance, will be a considerable expense; this may be cut down by extending the chute to the bank and trailing logs by horses over this flat section.

Canadian pulpwood loggers depend upon chutes with trough made of poles; steel chutes are also being tried.

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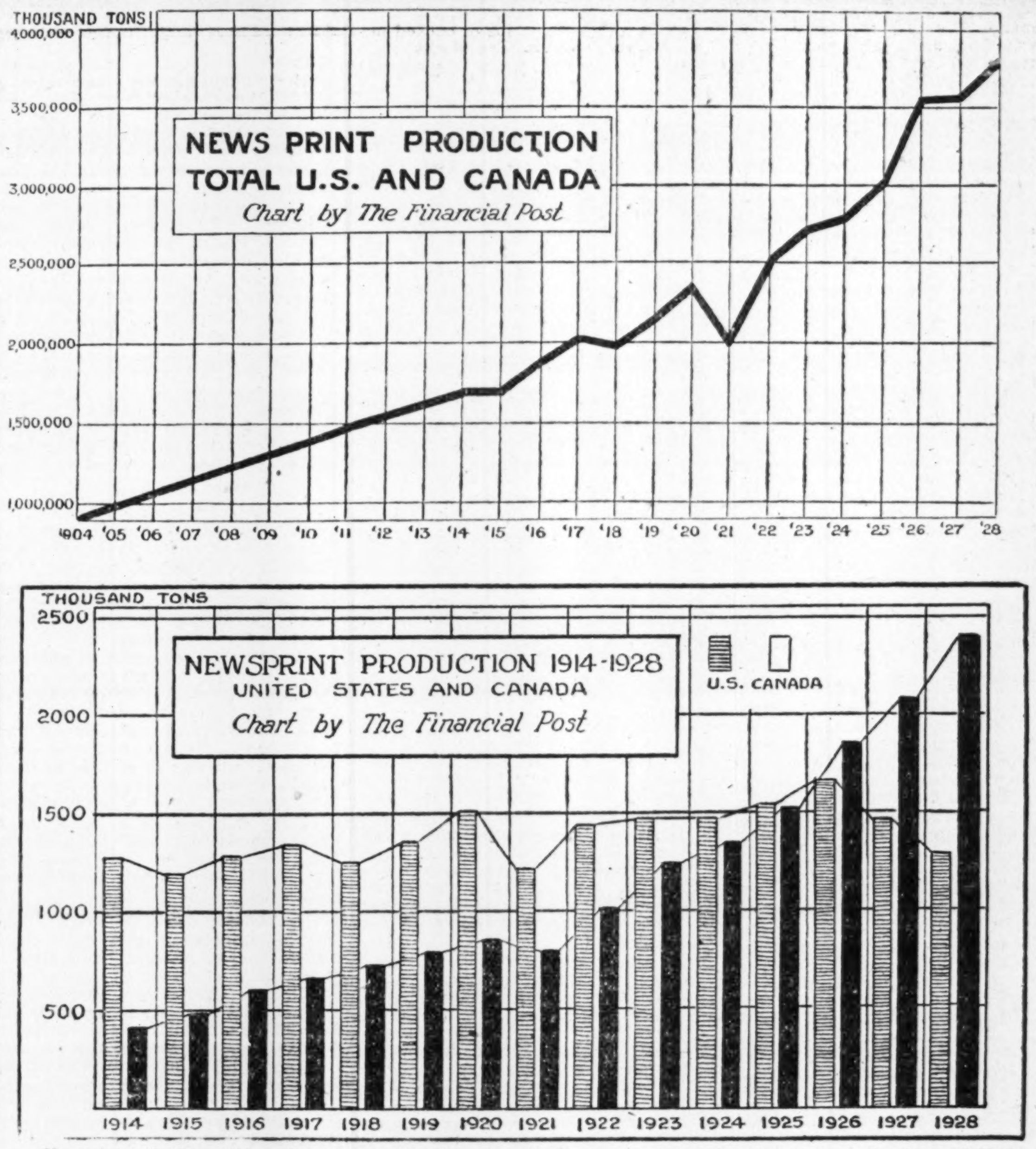
*—Chutes in which logs travel or slide by gravity over steep sections and are trailed over level stretches.

Should Stop Export and Conserve Timber

HON. W. H. FINLAYSON
at Pulp and Paper convention

"When you consider that 1,500,000 cords of pulp wood leave this Dominion unmanufactured, I think you will agree that the situation demands investigation by this body. I am satisfied that the remedy does not lie in an export duty; it lies in your own hands. Why should the farmer be told that he can get $2 a cord more by exporting his timber? It is the opinion of the Government of Ontario that we have the right to ask you to stop this export. You are depleting the raw material on which the provinces of Canada must depend for their very existence. You have built up a tremendous industry. I suggest to you that you are overlooking the great question of supply upon which the whole fabric of your industry is built.



Newsprint production on this continent increased by 6 per cent. during the year 1928, despite lower production in the U. S. A. Canadian production increased more than enough to offset decreased United States production. Upper chart shows total production for two countries. Lower chart shows Canadian and U. S. output separately. The above charts have been re-drawn by The Financial Post from similar charts presented at the annual meeting of the Newsprint Service Bureau by Royal S. Kellogg, secretary.

Newsprint Mills Facing Continued Lean Period

Continued Expansion of Mills Will Probably Only Aggravate Existing Situation

Report by P. B. Wilson, chairman of the Newsprint section, Canadian Pulp and Paper Association.

For the past several years, attention has been drawn in the annual report of the newsprint section to the abnormal growth of the industry and to the inevitability of a serious disturbance of its equilibrium. This disturbance made itself acutely manifest in the year just past, more particularly in the latter months of the year. It was accentuated, furthermore, by an unlooked-for decline in the normal rate of increase in consumption. Had the accustomed rate of increase been maintained, it is possible that the disturbance might have been deferred if not altogether avoided. Faced with the alternative of idle machines or of attempting to secure business at a heavy sacrifice, some producers chose the latter course. If their action could have been confined to their own operations exclusively the industry as a whole might still have avoided the most serious consequence of over-production, but the conditions under which newsprint is marketed made this course impracticable, and all producers found themselves compelled either to resort to unhealthy competitive methods or to run the risk of having their business considerably diminished. Steps have been taken by which it is hoped to bring about some stabilization of the industry and to prevent what at one time threatened to assume the character of a collapse. It is unnecessary to go into details in this report, but there is reason to hope that in the near future these arrangements, coupled with the recognized recuperative powers of the industry, may result in an improved situation. At the same time it must be recognized that the era of expansion, to which the troubles of the industry are to be primarily ascribed, has not yet run its course, and that new machines, for which commitments have already been made, will increase the potential output of Canadian mills by some 1,000 tons a day, which will represent an addition of approximately 10 per cent. to the present mill capacity.

But Output Grows

Despite what is said in the foregoing, the actual production of Canadian newsprint in 1928, it is to be noted, was greater by 14 per cent. than that of the preceding year. The tonnage produced and marketed over the twelve months amounted to 2,381,102 tons. United States production, on the other hand declined by 5 per cent. tonnage amounting to 1,414,952 tons. Newfoundland, now an important factor in the industry, produced and shipped 230,745 tons, an increase of 14 per cent. over 1927. The combined increase for the three countries amounted, therefore, to 251,503 tons, or 7 per cent. above the former years. Canadian mills operated at 82 per cent. of the total capacity but the tonnage was far from being uniformly distributed among them.

Exports Were Greater

The export market absorbed 2,206,587 tons, an increase of 12 per cent over 1927. Considerable increase was shown in shipments to both the United States and to overseas countries. Overseas shipments in 1928 increased by over 100 per cent., from 133,395 tons to 271,698 tons. Specially noticeable were exports to England, 130,700 tons against 41,601 tons in 1927, and to South America, 51,337 tons against 13,927 tons in 1927. Shipments to Australia were a little higher.

Additions to daily capacity of the mills brought into operation during the year included the following:

	tons
Thunder Bay	125
Lake St. John	245
Anglo-Canadian	230
Spruce Falls	460
Great Lakes	134
	1,194

New developments in course of completion or definitely projected for the coming year include:

Price Bros. & Co., Ltd., two new machines already installed and soon to come into operation.

St. Lawrence Paper Co., Ltd., two new machines in course of installation.

Bathurst Company Limited, one new machine of 70 tons capacity.

Great Lakes Paper Company, Limited, one new machine of 150 tons capacity.

Mersey Paper Company, Limited, two machine mill under construction.

Canadian International Paper Co., Ltd., new mill under construction at Dalhousie, N. B.

The year 1928 was marked by a number of reorganizations and changes in ownership. Among the most important were:

Donnacona Paper Co., Ltd., linked up for management purposes with Prices Bros. & Co., Ltd.

Laurentide Company, St. Maurice Paper Co., Ltd., and Belgo-Canadian Pulp and Paper Co., Ltd., merged into Canada Power and Paper Corporation.

Abitibi Power & Paper Company Limited and Spanish River Pulp and Paper Mills, Ltd., with their auxiliary companies, merged under the title of the first named company.

St. Lawrence Paper Mills Co., Ltd., reorganized and recapitalized.

Thunder Bay Paper Co. Ltd., absorbed by Abitibi Power & Paper Co., Ltd., and Canada Power & Paper Company.

Bathurst Power & Paper Company, Ltd., brought under the operating control of Canadian International Paper Company.

Canada Paper Co. purchased by Messrs. C. Howard Smith and Harold Crabtree.

The section records with deep regret the passing of Mr. Geo. H. Millen, for many years directing head of E. B. Eddy Co., Ltd., Mr. Millen was the Nestor of the newsprint industry of Canada and in years gone by had rendered it signal service. He enjoyed the respect and esteem of his fellow manufacturers to a marked degree and left behind him an influence which will long be remembered.

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Pulp and Paper Mills *Power Developments*

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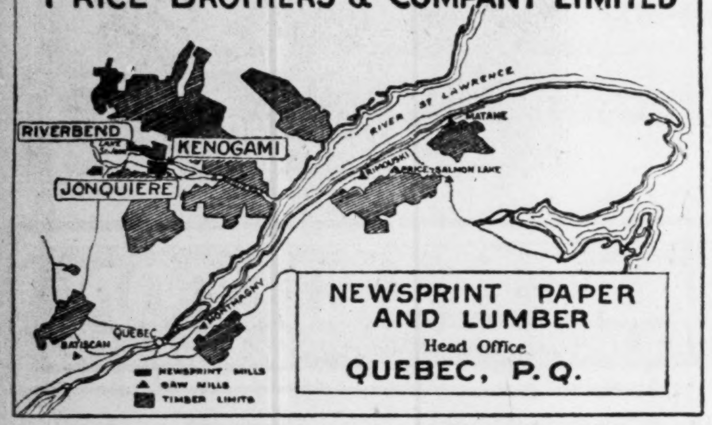

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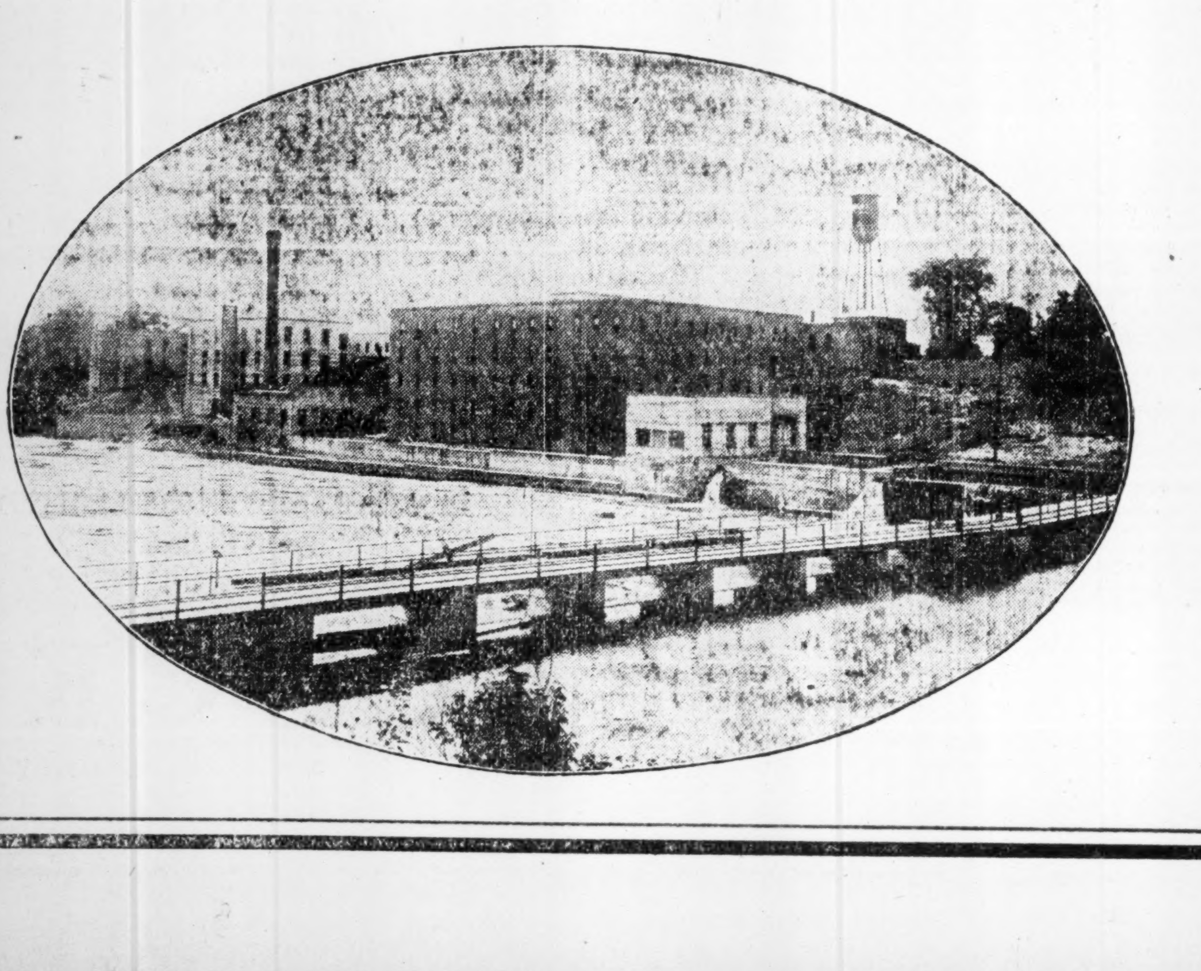
Another thing that has helped during the past fifty and more years to establish us among the world's leading felt manufacturers is our sincere desire to give the best possible service to all customers. In the long run we have found this policy has made customers for us and has helped us to retain these customers.



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WEIGHT OF WOOD IS TRUE MEASURE OF CONSUMPTION

Difficulties of Weighing and Determining Moisture Content

DR. J. BATES' ADDRESS

Important Point of Management Dealt with Before Meeting of Woodlands Section

Difficulties of obtaining exact information in weighing wood, were outlined by John S. Bates before the annual meeting of the Woodlands section of the Pulp and Paper Association. Mr. Bates said in part:

Weight of actual wood is the true measure of wood consumption in a mill. The difficulty of weighing wood and determining average moisture content unfortunately leaves us with very little exact information regarding the quantities of actual wood consumed in the different mills. The trend will undoubtedly be in the direction of more weighing of wood, and efforts along this line will be well repaid, just as boiler-plant operation has progressed so greatly with the help of coal weighing devices and other measuring instruments. The development of continuous automatic weightometers for pulpwood will be watched with real interest In the meantime, mills should not fail to make periodic tests on the weight basis, partly for the benefit of establishing percentage yields of pulp from wood and partly for the purpose of relating volume of wood to weight of wood.

Volume Less Accurate

Volume of wood is a less accurate measure of consumption, but has the advantage of easier and wider application. Furthermore, volume provides a satisfactory basis of accounting from tree to process. Volume also has a definite bearing on wood value, and measurement by volume is likely to remain, even when weighing of wood into mill processes is practised. True volume can be determined by immersion of the wood in water to measure displacement, but the method is not a check on log scaling and is practically limited to periodic tests of blocks. Scaling is the method of universal application, and it will therefore continue to be of widest usefulness. Solid volume in cubic feet is perhaps the most logical measure of wood for accounting purposes, because it is the nearest approach to actual wood quantities that can be traced from forest to mill. Scaling of all logs and blocks by total length and middle diameter gives a convenient basis for calculating solid volume in cubic feet, and reasonably accurate checking can be carried out at different stages of wood travel; special tests would readily relate this scale volume to true volume by immersion. Ordinary log scaling in feet, board measure, is still the official method, and it has its rightful place in the commercial handling of wood. The results based on standard length of log, diameter of small end, allowance for certain kinds of rot, and interpretation in terms of equivalent board feet of lumber, obviously cannot be a direct measure of effective wood for newsprint manufacture. The cord is another indirect volumetric measure of wood and daily varies 10 per cent. with the whims of nature and man.

Proportion of Species

Proportions of species and rates of growth have a larger bearing than is usually realized on volume of wood required for a mill. Spruce averages about 25 per cent. heavier than balsam fir in terms of bone-dry wood per cubic foot; jack pine approaches spruce density; white spruce and black spruce are not equal in average density. The rate of growth of any particular species also varies in any one section and widely in different districts, producing decided variations in wood density. Furthermore, the weight of actual wood required in a mill depends to some extent on the volume factor.

Mill Equipment

Mill equipment and manufacturing practice also affect wood consumption. One mill may have more and better equipment at probably a higher capital investment than another mill; the first mill will consume less wood per ton of newsprint, even though the over-all cost of manufacture may be the same. Fortunately, most companies are now alive to the fundamental value of apparatus to ensure low barking losses and uniform chips in the woodroom, less drastic cooking conditions in the sulphite plant, low tailings in the groundwood plant, and better conversion to finished product in the paper mill. Manufacturing practice has equal flexibility in relation to primary wood consumption. The fibrous fraction of chipper sawdust may be left in the chips or cooked in a separate digester. End blocks, and even such other material as groundwood bull screenings, may be recovered in the form of sulphite chips. Close screening and deckering of sulphite and groundwood prevent useful fibre being lost with tailings and white water. Groundwood tailings may be refined to supplement the tonnage of groundwood pulp, or may be cooked in the sulphite digesters to lower the requirement of wood chips. Metering of slush pulps to paper mill is proving its worth, and its helps in reducing the percentage of sulphite required; this in turn reduces wood consumption, because there is a great difference between converting wood to sulphite at a yield of 50 per cent. and producing groundwood at a yield of 93 per cent. Reasonably high moisture content in the finished newsprint is not only a direct saving of money but also cuts down the wood consumption. Finally, one of the greatest advances has been in the recovery of white water fibre into its proper place in the finished paper.

How Newsprint Stands Statistically

	Production			Shipments		
	Actual Tons Per Month	Actual Tons Per Operating Day	Per Cent. Actual To Average (Totals Per Month)	Tons Per Month	Per Cent. of Average Production	Mill Stocks
1928—December	208,484	9,216	84.3	215,133	86.9	19.139
Twelve Months	2,381,102	8,485	82.0	2,399,030	82.6	19,139
1927— " "	2,086,949	7,236	85.1	2,062,749	84.2	38,117
1926— " "	1,881,737			1,878,746		14,345
1925— " "	1,522,217			1,525,150		18,414
1924— " "	1,352,994			1,344,757		21,954
1923— " "	1,266,232			1,257,521		15,123
1922— " "	1,081,916			1,087,572		7,573
1921— " "	808,066			803,162		13,896
United States Mills						
1928—December	115,049	4,757	83.7	115,033	83.7	34,469
Twelve Months	1,414,952	4,779	81.8	1,397,393	80.8	34,469
1927— " "	1,485,495	4,931	83.1	1,474,521	82.5	20,877
1926— " "	1,684,218			1,684,790		12,030
1925— " "	1,530,318			1,534,345		16,238
1924— " "	1,481,425			1,480,819		23,757
1923— " "	1,485,000			1,477,332		23,669
1922— " "	1,447,688			1,452,414		19,208
1921— " "	1,225,235			1,226,064		23,934
United States and Canadian Mills						
1928—December	323,533	13,973	84.1	330,166	85.8	53,608
Twelve Months	3,796,054	13,264	81.9	3,796,423	81.9	53,608
1927— " "	3,572,444	12,167	84.3	3,537,270	83.4	58,994
1926— " "	3,565,955			3,563,536		26,375
1925— " "	3,052,535			3,059,495		34,652
1924— " "	2,834,419			2,825,576		45,711
1923— " "	2,751,232			2,734,853		38,792
1922— " "	2,529,604			2,539,986		26,781
1921— " "	2,033,301			2,029,226		37,830

North American Production

	Canada	United States	Newfoundland	Mexico	Total
1928—December	208,484	115,049	18,674	1,724	343,931
Twelve Months	2,381,102	1,414,952	230,745	16,981	4,043,780
1927— " "	2,086,949	1,485,495	202,852	14,137	3,789,433
1926— " "	1,881,737	1,684,218	186,471	13,412	3,765,838
1925— " "	1,522,217	1,530,318	96,588	12,681	3,161,804
1924— " "	1,352,994	1,481,425	64,648	11,500	2,910,567
1923— " "	1,266,232	1,485,000	63,906	12,000	2,827,138

News Print Service Bureau Figures.

Situation of Groundwood Mills is Growing Worse

Exports in 1928 Only About Half Those of 1926 — Future of the Industry Uncertain

Report by A. Stewart McNichols, chairman of the Mechanical Pulp section of the Canadian Pulp and Paper Association.

The year 1928, just closed, may be looked upon as the most unfavorable of a period of four consecutive lean years in the history of mechanical pulp mills throughout the country. If we should be guided only by the law of averages, groundwood manufacturers would be apt to surmise that this unfortunate period will be followed shortly by more prosperous times.

Bad Situation

Optimism is certainly a helpful policy, and the rule should prove beneficial even to groundwood mills. But the trend of the groundwood market, during the past years, has been influenced largely by the gradual closing down of a number of mills in the United States, and by substantial overproduction in the Scandinavian countries, instead of by varying weather conditions, as was frequently the case in the past. The following figures, dealing with groundwood exports by Canada, will illustrate the situation clearly:

	To U.S.A. Tons	To U. Kingdom Tons	Total Tons
1925	281,750	69,207	360,207
1926	258,527	109,957	382,078
1927	179,140	81,890	260,830
1928* ...	148,933	34,759	183,692

*(11 months.)

Against this, there is in Canada at the present time, a potential production capacity of nearly 400,000 tons.

Overseas Markets

No shipments were recorded as having been made to France in 1927 and 1928, though substantial tonnage was shipped in previous years. This is, no doubt, due, in a certain measure, to the acceptance by France of German paper deliveries under the Reparation Settlement.

It is quite possible that occasional dry seasons or other factors will occur in the future which may, for a time, improve market conditions, but such expected occurrences can only be looked upon as of a temporary nature. Too much reliance cannot be placed thereon, as converting mills are subjected to severe competition, owing to important changes and developments which have occurred of late in the paper industry. Their own market will hardly justify them in purchasing groundwood at much higher prices for a protracted period without bringing about disastrous results.

Constructive Solutions

Groundwood mills should, therefore, look to themselves alone for a permanent cure of the ills that have befallen their business, and with this object in mind it is desirable that they consider the whole situation from broad and national aspects, as therein only will the elements of a constructive solution be found.

The spread, between the cost of cutting and delivering logs to the mill and the net yield on sales of groundwood, has hardly exceeded, for the past four years, the actual cost of conversion, as against a spread equal to at least four times the same amount in the case of industries manufacturing the finished product. This feature of the situation should clearly indicate to groundwood mills where their efforts should be directed.

Follow the Trend

The general tendency which has developed of late toward centralization should be carefully analyzed, for the purpose of ascertaining where proper co-operation may be obtained by the smaller groundwood mills, either for the locating close to their plant of establishments manufacturing specialties from their product, or for linking up with industries in other parts of the country with whom permanent and satisfactory arrangements may be made.

If the present policy of wait and drift be continued much longer, many groundwood mills will realize too late that they have disposed without compensation of their main asset, which now consists of their standing timber limits: — the book value of groundwood plants, which is subject to much writing off, should not be allowed to dim a true realization of this fact. Many are they who have lost all in persisting to place their money on a losing horse.

Have Prepared Report

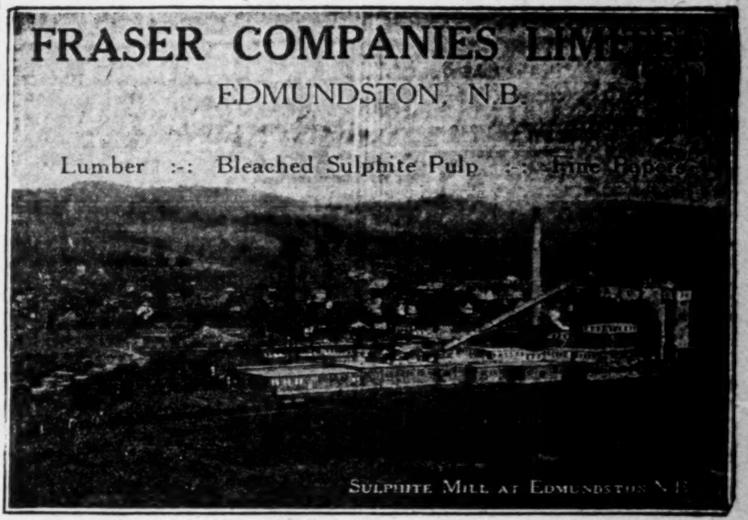
It may be said in closing, that meetings of groundwood producers have been held this year, in conjunction with the groundwood section of the association, for the purpose of studying the present situation. A committee, named at one of these meetings, and acting with the help and co-operation of officers of the Canadian Pulp & Paper Association, have already prepared and issued a report covering their investigations, and embodying certain recommendations, copies of which were recently sent to groundwood mills.

An invitation is extended to those groundwood producers who have not yet joined the association, to take up membership, and also to all members, to make full use of the information and statistics compiled and made available by the association's statistical staff.

Frank Analysis

Particular stress is also laid on the desirability of giving more efficiency to production, by making use at the mill of scientific devices for carrying on freeness and other tests.

To those pessimistically inclined, it may be stated that this report should be considered as a frank analysis of the situation, pointing out its deficiencies and the remedies. It is hoped that it may serve its purpose in encouraging the adoption of more constructive action by the mills interested, which in time will spell better results for them and for the country at large.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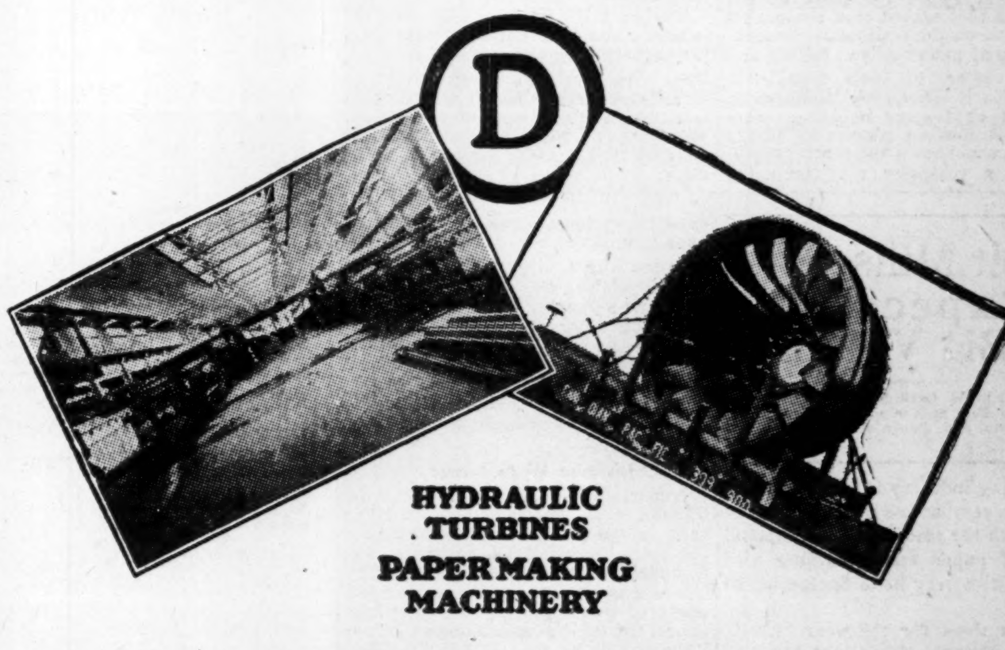
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Woodlands Section Moves on Towards Its Objective

Report by B. F. Avery, chairman of the Woodlands section, Canadian Pulp and Paper Association.

During the past year, studies, undertaken following the employment of Mr. Koroleff, have been continued, and other projects have been started. In the study of the floatability of logs, or sinkage study, satisfactory progress has been made. Mr. Koroleff will make a report upon this project at the annual meeting. Other studies in which progress has been made are: efficiency and stability of woods labor; use of tractors in logging; towing equipment; mensuration problems in logging; logging pulpwood on very rough ground; culling pulpwood.

Visited Gatineau

In August, the section members were the guests of the Canadian International Paper Company at Ottawa and throughout that company's operations on the Gatineau. Demonstrations of power-driven felling and bucking saws, of tools useable in woods work driven by compressed air, and of tractor skidding, were given. A moving picture of power skidding was shown and a representative of a company manufacturing skidding machinery was present to answer questions. Thirty-eight members and guests attended the meeting, which was exceptionally instructive and enjoyable.

Financial Position

The section started the year with a balance carried over from 1927 of $4,820.33. An appropriation of $3,679.67 was granted to carry on the work outlined for 1928. Expenditures for the year 1928 have amounted to $7,083.92, leaving a credit balance of $1,416.08. The continuation of work in progress and the undertaking of postponed studies will require an estimated expenditure of $8,500.00. We, therefore, request your financial support to this extent.

The work of the woodlands section is aimed at the reduction of cost and the perpetuation of pulpwood production. We feel that we are making definite progress toward that objective. We ask for your interested co-operation, as well as your financial support in the carrying out of this work.

Felt Mills Expecting Big Volume

Report by W. Earle Walker, chairman of the Felt Section of the Canadian Pulp and Paper Association.

Building industry throughout Canada was very active during the year 1928 with the result that the demand for felt paper and sheathing was steady, with very little fluctuation in price.

The outlook for the year 1929 is bright. Present indications are that building activity will continue, and as ready roofings are becoming better known and their advantages more appreciated, we expect greater volume of business during the coming year.

Kraft Paper Market is Improving

Report by F. J. Campbell, chairman of the Wrapping Paper section, Canadian Pulp and Paper Association.

The wrapping paper mills have shared in the general prosperity prevailing throughout the Dominion and can look back upon satisfactory year's operation. Business has been good throughout the year and prices have been fairly well maintained.

There was a slight increase in the consumption of most grades of wrapping and a greater demand for kraft wrapping which resulted in an increased output of kraft papers. While no new machines have been installed, there has been considerable improvement in the existing mills resulting in increased efficiency and a larger output.

Imports Were Lower

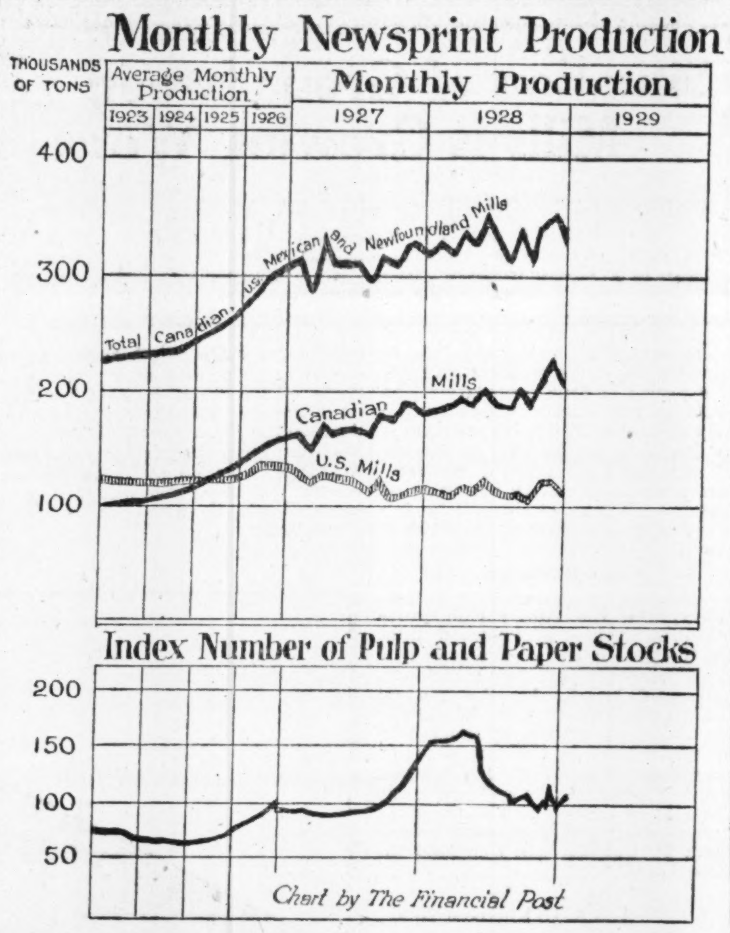
Imports of kraft wrapping into Canada were somewhat lower in 1928 than in the previous year, the total for the year being 1,648,922 lbs. as compared with 2,065,010 lbs. in 1927. There was also a decrease in the imports of other grades of wrapping paper, the total of which amounted to 9,100,330 lbs. as against 9,850,954 lbs. in 1927.

Exports of kraft wrapping were slightly higher, there being an increase of about 10 per cent. over last year's figures.

The mills reporting to the association in 1928 produced 24,491 tons of wrappings of various kinds, including kraft, mill wrappers and miscellaneous wrappings, there being an increase of 3 per cent. over last year's figure. Shipments for the year amounted to 23,350 tons, of which 23,088 tons were for the domestic market.

Opens Office in Ottawa

MONTREAL.—Browne, Urquhart and Company, Montreal investment house, has opened an office in Ottawa, in the Victoria building, Wellington Street. Increasing business in Eastern Ontario has necessitated this move. The new office will be in charge of J. Lansing Rudd.



The chart shows clearly some features of the situation in the newsprint industry. While the U. S. production month by month has over the past two years declined from the high peak of 1926, yet the decline in the output of the U. S. mills has not kept pace with the increasing output of the Canadian producers. As there has been little real increase in the consumption in the U. S., the mills have in 1928 increased their overseas shipments. This situation, coupled with the fact that the capacities of the mills are now largely in excess of the demand, has brought about the recent price reductions coupled with the decline in paper stocks shown graphically in the lowest curve.

Sulphite Pulp Producers Doing Fair Business

Report by A. Cross, chairman of the Sulphite Pulp section of the Canadian Pulp and Paper Association.

The year 1928 recorded a decided improvement in the sulphite pulp market. The early part of the year was featured by a lockout at the Swedish Mills which occasioned a loss to the world's markets of about 35,000 tons of bleached and 135,000 tons of unbleached sulphite pulp. Stocks on hand were considerably depleted. Imports of bleached sulphite into the U.S. from Sweden were about 37,000 short tons in 1928 as compared with 51,933 tons in 1927, and the imports of unbleached sulphite from Sweden were about 316,000 tons in 1928 as compared with 335,859 tons in 1927.

The withdrawal of tonnage was largely responsible for the continued strengthening in the market for bleached sulphite which has been noted throughout the year. In the unbleached market, however, this was not the case, as the tonnage thus lost was offset by sharp curtailments o purchases by other European cour tries, notably England and, to a less degree, France.

Good Statistical Position

The increase in world sulphite c pacity was relatively small and w largely offset by the steady increa in world requirements.

Canada's exports of sulphite pu in 1928 were somewhat greater th in the previous year, being abo 466,000 tons as compared with 43 000 tons in 1927. Exports of u bleached sulphite amounted to 23 228 tons as against 192,559 tons la year, and exports of bleached su phite were 251,543 tons as compar with 214,126 tons in 1927.

The statistical position of the i dustry both here and abroad w much better at the close than at th beginning of 1928.

Tissues Are Experiencing Thin Times

Report by G. Carruthers, chairman of Tissue Paper section of the Canadian Pulp and Paper Association.

There are now six Canadian manufacturers of tissue. On account of keen competition two mills formerly producing tissue papers have gone into liquidation this year.

The Canadian production of tissue for 1928 was 4,313 tons, as compared with 4,816 tons in 1927. The shipments amounted to 4,300 tons as against 4,758 tons in 1927.

There is still a considerable quantity of cheap flat tissue coming into Canada, with which it is difficult to compete so long as we pay our present scale of wages. Apart from these low grade lines, there was an increase in the consumption of waxing and special tissues, and while prices have been somewhat reduced, the tissue business in 1928 was generally satisfactory, and, in view of the prevailing prosperity, the outlook is promising.

National Aspect Taken of Newsprint Industry

Prevention of the export of pulp wood from the province of Quebec to the United States, the conservation of the natural resources of the provinces, and the increasing importance of the Maritimes in the newsprint field, were points that were made by various speakers at the president's dinner, which concluded the activities of the sixteenth annual meeting of the Canadian Pulp and Paper Association. Hon. J. L. Perron, Minister of Roads for the province of Quebec, made a plea for the farmers and settlers who were dependent for their living on sales of timber. He deplored the fact that Canadian timber, was exported to the United States because a higher price was obtained in that market. The case of the Maritimes was ably made by Hon. J. B. M. Baxter and Hon. E. N. Rhodes, premiers of New Brunswick and Nova Scotia respectively. They pointed out the progress and the potentialities of the two provinces as touching the newsprint industry.

The speeches were all constructive and of high calibre; few references were made to the difficult situation surrounding the newsprint industry at the present time. The general trend was toward a greater realization of the newsprint industry as a national asset. In the main, the speakers discarded individual provincial themes, and held to a broad and national aspect of the pulp and paper industry.

JAMES W. SEWALL
Consulting Forester
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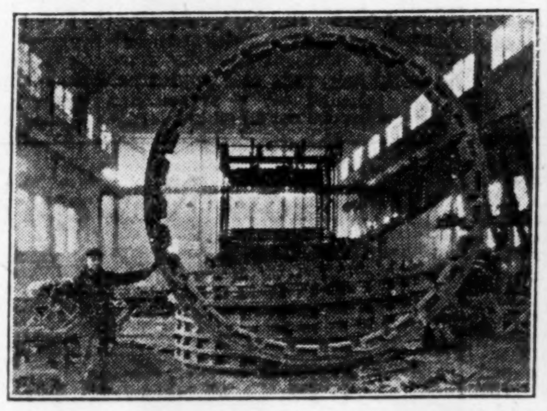

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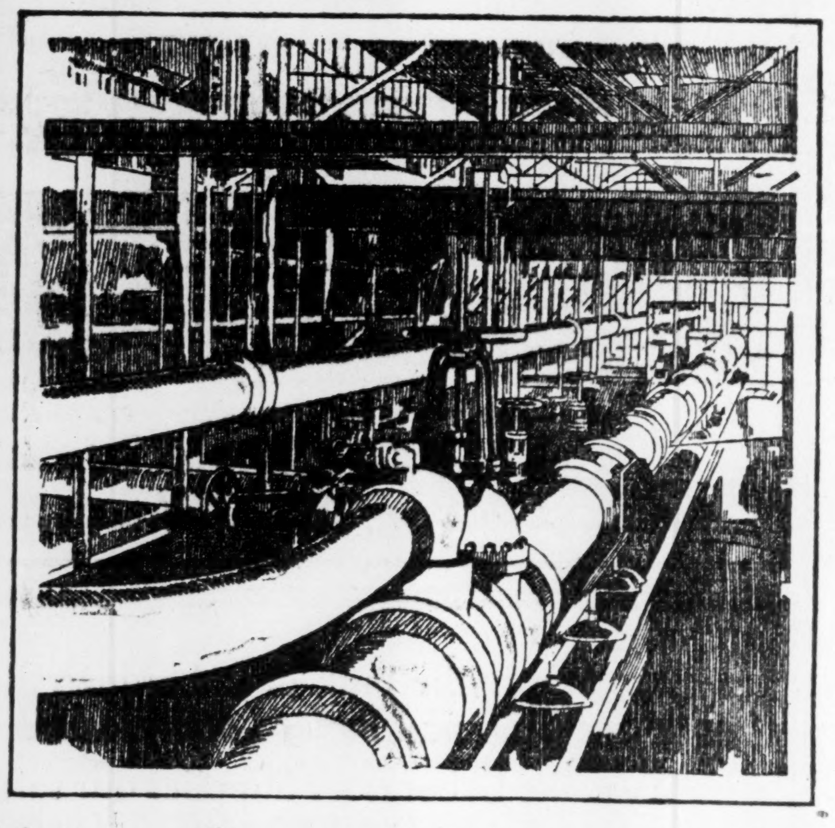

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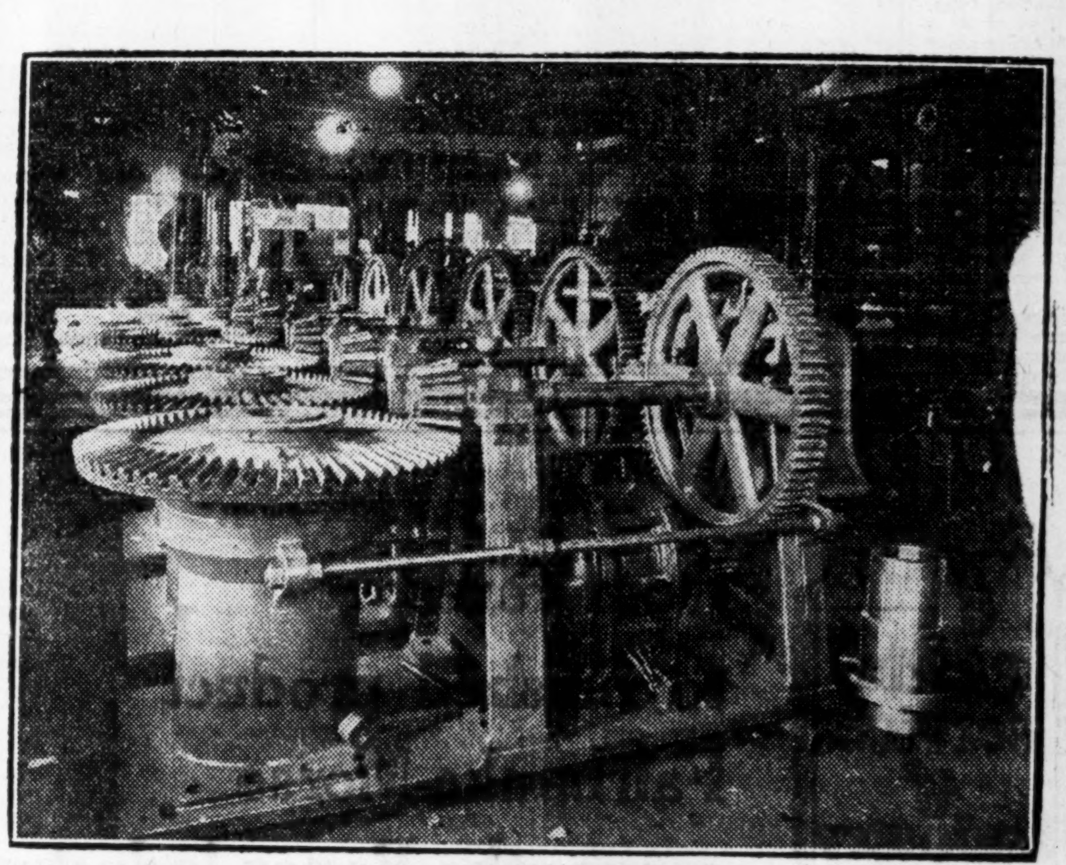

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Some Favorable Features Seen in Gloomy Picture of Groundwood Industry

Virtually No Supplies on Hand — Capacity of Mills Has Declined — Operating on Orders — No Longer Dump Tonnage on Market

Groundwood pulp prices are now about $1 to $2 a ton higher than they were last summer. While the groundwood industry, as a separate and individual section of the pulp and paper industry, seems more or less doomed, while the demand is only equal to about half the productive capacities of the mills, while prices at present only permit the producers to operate without an operating loss, and while the outlook for the industry is undoubtedly gloomy, there are a few favorable points in the situation of which the investor should not lose sight.

None of the groundwood mills are now operating without orders. They produce only an amount equal to orders on hand. There are virtually no mill stocks on hand. Some mills, such as Price Brothers small groundwood plant at Rimouski, have been closed down. Very thin times, indeed, have prevailed in the groundwood industry over the past few years. The result has been that some mills have been forced out of business and others have closed down. Those that stood the gaff have been recapitalized and are now in a financial position which permits them to wait for orders. The groundwood mills are no longer forced to produce in order to obtain revenues for fixed charges or to meet heavy current liabilities.

Interesting Example

An example of this is seen in the history of the Quebec Pulp and Paper Mills Corporation. Through reorganizations of one kind or another, the capitalization on the assets of the company has thrice been scaled down. Now the company, while not really making profits, can afford to sit back and await orders like the manufacturer of any other product.

It may well be that in the future some betterment may come to the industry through the development of this situation. Certainly no new groundwood capacity will be added to that already in existence and while thin times in the industry will undoubtedly endure for a long time to come, yet prices may improve a little —despite the hesitancy in the market for newsprint paper.

Incidentally, the low prices prevailing throughout the entire paper industry on this continent have induced some of the paper manufacturers to increase marginally the proportion of groundwood which they use in their manufacturing process. The other chief ingredient of paper is chemical pulp which is much more costly than groundwood.

In the past, the groundwood producers have made mechanical pulp, much in the way the farmer produces wheat, with the idea of selling it for whatever it will bring in a market which hitherto has been regulated solely by the laws of supply and demand. This situation has now undergone some change for the better and the groundwood mills are producing only on orders—a development which may tend to better the industry a little.

Ultimate Future

For the long pull, though, little improvement in profits can be expected, for fundamentally the groundwood producers fulfill a real economic purpose only at those times when the demand for paper exceeds the supply. Of late years, the whole industrial trend has been toward the control under one head of the manufacture of the raw product, the semi-finished product and the finished product.

The reasons for this trend are not far to seek as manufacturers desire to obtain the complete profits on the production of any given commodity and also to safeguard their supply of raw materials. It is not likely therefore that the mechanical pulp industry will run counter to a trend which has already proved profitable.

Ultimate substantial improvement in the industry will come only as, if and when, the groundwood producers are able to obtain satisfactory outlets for their production.

At the moment, due to the over expansion of the industry, the newsprint outlet is closed; the groundwood producers are forced to look elsewhere for a market for what to them is a finished product, but which to others is merely a raw material.

Developments along these lines will come only slowly. The investor in the industry will have to exercise patience. But there are already indications that some transition along these lines is imminent.

The manufacturers are improving the grade of their output. Some minor new uses for groundwood are being discovered and some of the mills have taken tentative preliminary steps along lines which may provide a really better market for their output.

In any attempt to assess the present situation in the mechanical pulp industry, the foregoing features will be welcomed by the confirmed optimist. But others, though, will realize that to date they are but minor features in what is, and what is likely to remain, an unsatisfactory situation for some time to come.

Book and Writing Mills Report Increased Sales

Satisfactory Progress Made — Tariff Changes Have Increased Imports

Report by Harold Crabtree, chairman of Book and Writing section of the Canadian Pulp and Paper Association.

The book and writing section reports a year of considerable activity and one of satisfactory progress. Despite difficulties brought about by a change in the tariff and whose bad effect promises to become more serious, the industry as a whole has not remained stationary. Sales of book and writing papers are up approximately 7.5 per cent. over the preceding year. Total production, it is estimated, will exceed 60,000 tons, all but about 5 per cent. of which was marketed in Canada. There has been little or no increase in our export trade.

Larger Imports

Imports of book and writing papers for the year, it is to be regretted, show an increase of about 50 per cent. over those of 1927, the returns for the last three years showing:

1926	3,563 tons
1927	4,268 "
1928	6,041 "

This undue increase in the importation of book papers is a direct consequence of the new item in the Canadian tariff, incorporated in the last Budget, which provides for a drawback of 80 per cent. of the duty on book and all other papers when imported and used in "the production of publications devoted primarily to agriculture, magazines or periodicals," but excluding trade journals and certain other classes of publications. Previously this class of paper entered Canada under a duty of 12½ per cent. if imported from the United Kingdom and of 25 per cent. if from any other country. The effect of the drawback has been to reduce the duty on paper from the United Kingdom to 2½ per cent. and from other countries to 5 per cent., thus virtually wiping out whatever measure of protection the tariff formerly afforded the book paper manufacturers. The new item did not take effect until March 4th and its ultimate consequence is not yet realizable. The immediate effect, however, has been greatly to stimulate importations of publishers' paper, particularly from the United States, where the book paper industry is in a condition of over-expansion comparable to the newsprint industry in Canada and where overflow markets are eagerly sought for and catered to without much, if any, regard to resultant profit. Canadian producers of book paper labor under the grave disadvantages when compared with American owing to the mass production methods which obtain in the States, and it is quite impossible for them to compete on anything like even terms. These facts and others bearing on the situation and showing the relative costs of producing paper in Canada and in other countries were put in shape for presentation to the advisory board on tariff and taxation and were presented in part. Before an opportunity could be had for completing the submission, however, the hearings were declared closed and the board made its recommendations, with the results already referred to. The "drawback" had no sooner come into force than the influx of foreign paper set in and, as already stated, is constantly being augmented.

Has Had Good Year

It is self-evident to any who will acquaint themselves with actual conditions that the book paper industry of Canada cannot thrive without reasonable protection against overwhelming competition from the States and from low-cost production from overseas. The industry, it is true, had secured a very fair start and had given promise of gradual and satisfactory development. To check it at this time means a serious loss to Canadian labor, to say nothing of the injury done to the capital engaged in the industry. Not only that, but its effects are far-reaching and will be felt by the manufacturers of paper-mill machinery and equipment, as well as those concerns whose business consists in a large degree in catering to the paper manufacturers. Nor is it invidious to point out that paper manufacturers pay duty ranging from 15 to 35 per cent. upon practically everything that enters into their business, such as machinery, felts, wires, coal, sulphur, stone, etc. Their capital charge, in consequence, is relatively greater than that of their foreign competitors. Since the economic structure of Canada assumedly rests upon the principle of protection, any dislocation thereof in favor of one industry at the expense of another, is unsound and unfair. This becomes very apparent when it is recalled that Canada now supplies a very large proportion of the American paper industry's requirements of raw materials, without anything like an adequate return, in the form of unmanufactured pulpwood, and that, while under the "drawback" clause American book paper now enters Canada at a merely nominal rate of duty, Canadian book paper is absolutely debarred from the States by an insurmountable tariff.

The section renewed its application to the customs department for greater efficiency in the examination of paper imports and once more applied for the appointment of a duly qualified paper appraiser. The application having brought no direct result, the section itself employed a tariff expert to look after the members' interests in all matters affecting importations. The results of his work have been such that the section is recommending to the association that he be continued as a permanent officer of the association and his duties be extended to cover all branches of the trade.

The year was further marked for the fine paper industry by a number of important transfers of ownership of some of the companies, as well as by one or two consolidations brought about in the interest of sound economy and increased efficiency generally.

Death of G. H. Millen

We regret to report, that this section sustained a serious loss during the year through the passing of two of its most valued members, Mr. I. H. Weldon and George H. Millen. Mr. Weldon had been a member of the section from its inception. As the chief director of the Provincial Paper Mills he occupied an outstanding position in the industry and had much to do with shaping its policies. His genial personality, no less than his business acumen, had long endeared him to his fellow members, by whom his memory will long be revered. Mr. Millen, whose span of life far outran that of most men, was for many years associated with the section and gave freely of his advice and counsel in the conduct of its affairs.

Douglas Fir Popular

Douglas fir, because of its superior quality in clearness and strength, is the leading Canadian product to find a sale in the German market, according to word from the other side. It is increasingly substituting for pitch pine, because of the latter's gradual increase in price, while at the same time it has to compete against supplies from Washington and Oregon. It appears regularly to fill requirements for special purposes, being used for interior finishing, decking and deck boards, while plywood and logs are also imported when price is competitive.

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Mill Architect and Consulting Engineer
Paper, Pulp and Fibre Mills
305 Broadway New York
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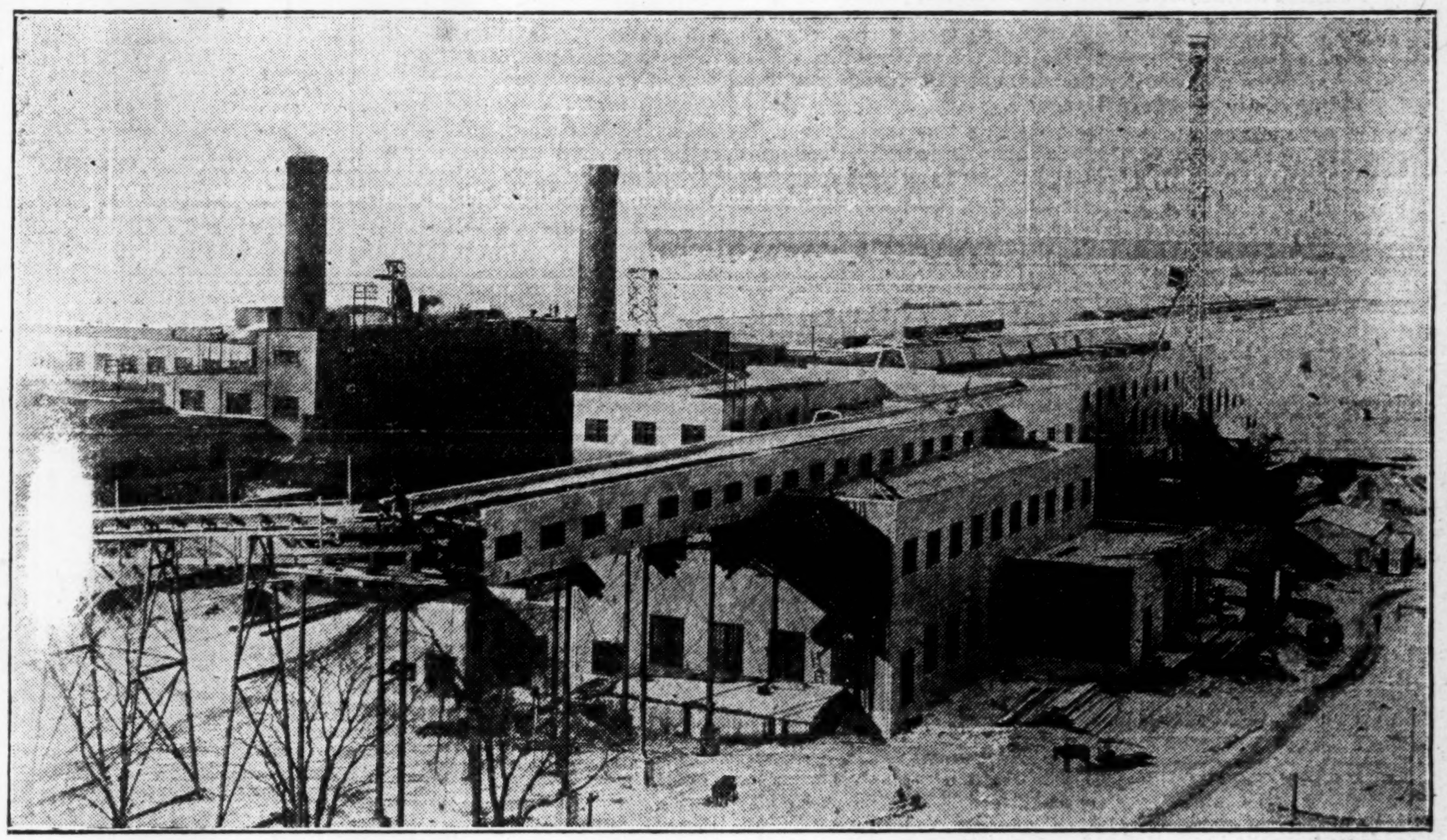
The Foundation Company of Canada Limited and Associated Companies is one of the largest Engineering and Construction organizations in the world



The new two-machine Newsprint Mill built by The Foundation Company of Canada Limited for the St. Lawrence Paper Mills Co., Limited at Three Rivers, P.Q. Mr. H. S. Taylor—Consulting Engineer.

Qualified Through Experience
in Pulp and Paper Mill Construction

The magnitude and diversification of pulp and paper mill construction work achieved by The Foundation Company has created full familiarity and experience with the construction needs of the industry.

The work just completed for the St. Lawrence Paper Mills — the sixth contract received from this company — further establishes the name of The Foundation Company as an organization fully able to achieve a pulp and paper mill construction job with efficiency and despatch.

The present contract with St. Lawrence Paper Mills, begun in May, 1928, was completed ahead of schedule on January 12th, 1929.

You may entrust your construction program to The Foundation Company with full confidence.

The 250-ton newsprint mill of the Mersey Paper Company Limited at Liverpool, Nova Scotia, is one of the most recent developments in the newsprint industry. The granting of the construction contract to the Foundation Company further emphasizes the extent of our company's services in the pulp and paper construction field.

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OF CANADA
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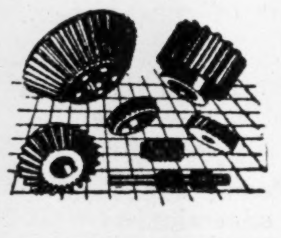

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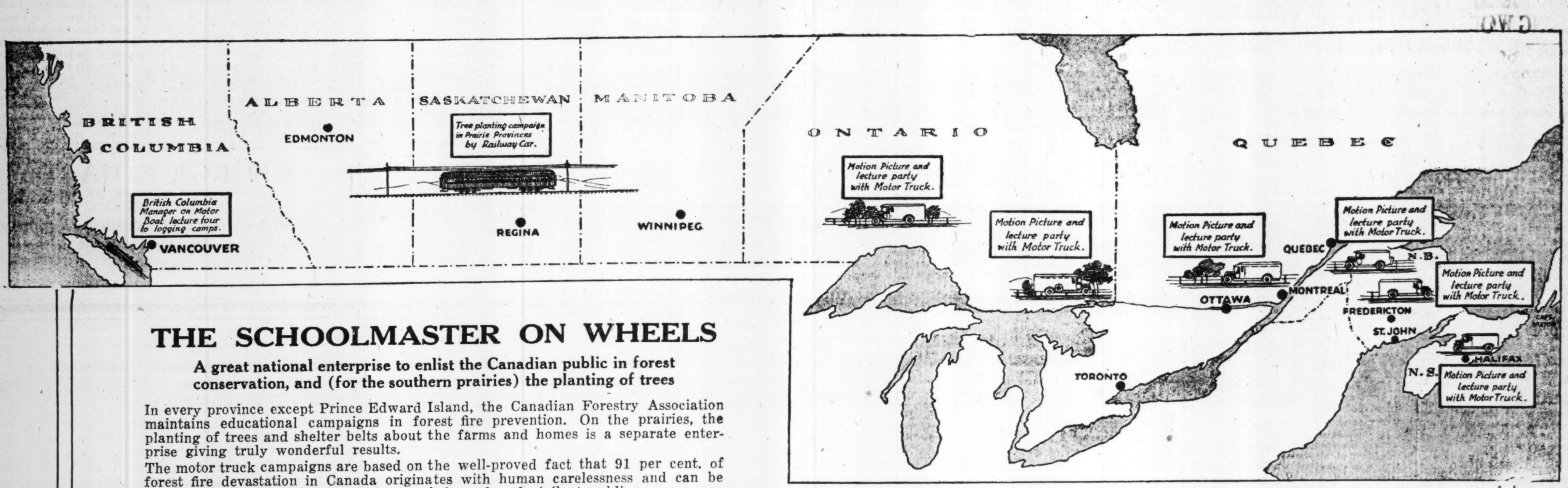
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British Columbia Manager on Motor Boat lecture tour to logging camps.
Tree planting campaign in Prairie Provinces by Railway Car.
Motion Picture and lecture party with Motor Truck.
Motion Picture and lecture party with Motor Truck.
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THE SCHOOLMASTER ON WHEELS

A great national enterprise to enlist the Canadian public in forest conservation, and (for the southern prairies) the planting of trees

In every province except Prince Edward Island, the Canadian Forestry Association maintains educational campaigns in forest fire prevention. On the prairies, the planting of trees and shelter belts about the farms and homes is a separate enterprise giving truly wonderful results.

The motor truck campaigns are based on the well-proved fact that 91 per cent. of forest fire devastation in Canada originates with human carelessness and can be rapidly and permanently corrected by an informed and vigilant public.

More than 700 leading business firms of Canada, owning no timber whatever, supplement the contributions of the pulp and paper industry and the governments to increase the Forestry Association's educational power.

The Forest Feeds and Clothes 500,000 Canadians and pays out 500 millions a year.

The business of forest conservation is to perpetuate TRADE—not TREES

Why the Canadian Forestry Association is needed

A Statement by the Manager, Mr. Robson Black

The business of the Canadian Forestry Association is to take one step closer to the fire problem than the ranger and his equipment are able to go, to hold friendly mass meetings of half a million people a year, mostly settlers, to show them that forest fire prevention is emphatically an affair of their own family budget, an affair of pay envelope, of farm prosperity, of employment, to show them how simply fire can be avoided, how slash should be piled and burnt, how camp fires should be made and then made to go out, and other matters of information and inspiration that readily convert a district of the indifferent into true and active friends of the forest. You may say that it is all an affair of "sentiment." It is as concrete as a mill dam. It generates more gallons of fire suppression in an hour than any gas engine you can pick from a catalogue.

If we are to make any progress in the needed partnership between public and timber guarding, it is evident that we must identify forest preservation with something more emotional than logs. The forest passes through the educational crucible of our association as "trade," not as trees. It is made known as the habitat of moose and deer and partridge. We call it the Mother of the Rivers as the Indians used to do. We deck out the forest as the filter and shield to fishing streams, as a magnet to tourist traffic. We present to the settler his partnership with the timber resources which are the buyers of his produce and the giver of employment. Anyone who has come to grips with the "man on the street" must realize that before forest protection becomes a popular enthusiasm it must be lifted out of all the abominations of statistics and the false identification with corporation ownership and the stock market. Until we can do that, forest conservation, fire prevention, forest culture and fish and game protection are (as regards a place in popular favor) left high and dry with the trade and technical committees.

The Canadian Forestry Association is an adventure in faith. In 1916, our citizen membership stood at a little over 3,000. Today it is in excess of 30,000, the largest in the world. We have advanced in financial income within thirteen years from $5,000 to $150,000 and every penny came from voluntary sources and $13,000 a year from all the governments of the country.

What the Canadian Forestry Association Does

1. Maintains twelve field campaigns holding 1,450 public mass meetings a year to enlist the Canadian public in forest protection and (on the prairies) tree planting. The Association makes two million human contacts annually.

2. Handles every fortnight twelve thousand schools throughout Canada with teaching material eagerly utilized by the teachers before a multitude of young Canadians.

3. Publishes on a non-profit basis Illustrated Canadian Forest and Outdoors and La Foret et la Ferme, both serving the cause of conservation.

4. Maintains an active publicity bureau reaching hundreds of Canadian newspapers and magazines with a constructive educational service.

5. Maintains a vigorous British Columbia Branch office at Vancouver in charge of experienced forest protection experts and educationists.

6. Devotes thousands of dollars a year to encouragement of tree planting on the bare prairies and is rewarded by more than thirty thousand attendance at prairie meetings annually and a widespread adoption of actual tree planting.

7. Promotes better conservation laws and more adequate enforcement of them and provides through an instructed public the only sure basis for sound law and administration.

8. Carries out all campaigns on a firm trust in the intelligence and courage of the Canadian people and with unswerving devotion to the true interests of our Dominion.

9. Without endowment or reserve funds, or any identification with Government departments or commerrcial organizations, the Canadian Forestry Association depends wholly upon voluntary financial support.

CANADIAN FORESTRY ASSOCIATION

Incorporated

OTTAWA - VANCOUVER

(This page donated by a friend of conservation)

OIL VS. STEAM IS BIG PROBLEM IN TUGGING WORK

Various Angles of Two Methods of Propulsion Reviewed

In a paper read before the Woodland section of the Canadian Pulp and Paper Association, Walter Lambert drew a comparison between the operating efficiency of steam and oil engines in tugging operations. He spoke in part as follows:

The following are among the material advantages claimed for the motor tug:

1. The cost of fuel is less. The degree of reduction is variable according to the nature of the service and other conditions: New York tug owners claim a 5 to 1 reduction in their particular service. For pulpwood towing operation, an average reduction of 2 to 1 would be entirely conservative.

2. The weight of, and the space occupied by, an oil-engine installation is less; and owing to the high power usual for tugs, this should permit of a reduction in hull dimensions and cost. A smaller hull requires a smaller percentage of the available power for its own propulsion, and leaves a higher percentage for the benefit of the tow. This latter is not a big factor for pulpwood towing, however, owing to low towing speed.

3. Standby losses are eliminated, since it takes only a few minutes to start up an oil engine; whereas a steam tug must have the fires burning continuously. The extent of this saving again depends on service conditions, but it is interesting to recall that the fuel consumption while only standing by of the 500-horse-power steam tug William Price in its first season's operation exceeded the total operating fuel consumption of the 100 horsepower oil-engined tug Coosie, both vessels being in service on Lake St. John.

4. Compared with a steam tug of similar dimensions and horsepower, the motor tug can carry more fuel, and will possess a greater operating radius without refuelling, due to the lighter machinery and the increased propulsive efficiency obtained with the same weight of fuel. Incidentally, for woods operations, oil fuel is a great deal easier to handle and transport than coal or wood.

5. Firemen are not required on a motor tug; they cannot upset production by quitting cold, and there is a consequent saving in crew's wages and board.

In spite of these somewhat substantial considerations, the motor tug is not exactly having it all its own way. Steam tugs are still being built; and there still remain pulpwood interests and executives in Canada unconvinced that steam has had its day, and who aver that the advantages claimed for the oil engine are more apparent than real. Their line of argument usually takes up the following ground:

Arguments Against Oil

1. Lack of elasticity of control. A steam tug is admittedly ideal in this respect, the revolution speed being controllable over its full range. Oil-engine makers are rather sensitive on this point, and they mostly claim to obtain continuous regularity of operation at all speeds on the throttle varying from one-quarter to full speed. It is doubtful, however, if the majority of oil engines in actual service can be fully depended upon at revolution speeds less than one-third, and frequently it is more like half speed. This is quite an important consideration in high-powered tugs where the ratio of horsepower to displacement is so great. It is controllable to a certain extent by the careful handling of skilled drivers; but for the kind of towing such as is involved by the berthing of big liners, it practically necessitates electric drive, which is both too expensive and complicated for ordinary pulpwood operations. In actual pulpwood towing service, the difficulty has not proved acute, because a boom of logs is a tow that will absorb a starting shocks rather well, and it is quite a time before the full towing power is taken up by the dead load.

Towing Efficiency

2. Towing efficiency. As is well known, the propulsive efficiency of a large propeller turning slowly is greater than that of a small low-pitched propeller turning quickly, which latter is necessary for the average oil engine. This difference has undoubtedly been magnified by the conditions previously referred to; namely, lack of experience and data of propeller design to bridge the exceptional gap between high speed of revolution and low speed of tow.

3. Personnel and Repairs. Steam machinery has been with us so long that no difficulty is experienced in obtaining suitable labor to operate it. It is simple in design, with a few moving parts, and no exacting clearances. Ordinary repairs and adjustments can be made without special and expensive equipment, and by the ordinary fitter or boiler maker. On the other hand it is claimed that labor suited for the operation and maintenance of an oil engine is difficult to obtain and to keep, while the engine is itself so complicated and exacting, both as to material and design, that repairs effected locally are practically out of the question, and dependence is necesary on the manufacturer, or on the service provided through a local distributor.

There is a great deal of truth in these contentions; but it should not be overlooked that the frequent and expensive repairs inseparable from the maintenance of a boiler are cut out, while in the main, the difficulties are of a transitory nature, becoming less in effect all the time, and merely incidental to the adoption and development of a new method or process. Such chances occur and have to be taken in all spheres of action where improvement and progress is aimed at. Granted that oil-engine propulsion brings new problems with it, its use is becoming rapidly more prevalent; because, in spite of its inherent troubles, woods operations can be conducted more economically because of it. A large part of the risk involved can be insured against very simply by the provision and maintenance on the boat, or at local headquarters, of an adequate supply of spares for such parts as are liable to wear or breakage. The extra cost is small and can be written off against increased operating economy.

Towing equipment used for pulpwood operations in Eastern Canada, comprises:

1. Steam alligators or warping tugs, with wooden scow-shaped hulls. This equipment is not now greatly used.

2. Gasoline-engined warping tugs, with wooden scow-shaped hulls. Excellent equipment for short hauls in shallow water. The first cost is low, and for driving logs through a system of small lakes interconnected by water courses, or falls that are not navigable, a warping tug in each lake makes a very convenient operation.

3. Oil-engined warping tugs, with steel hulls, either scow- or ship-shaped. This is similar to the equipment previously described, but improved in character, greater in first cost, with longer life and more economical for a permanent operation.

4. Steam tugs, wooden or steel hulls, varying from 100 to 1,200 horsepower, used on lakes and rivers for long distance towing.

5. Oil-engined tugs, usually with steel hulls, varying from 100 to 700 horsepower, used on lakes and rivers for long distance towing. Incidentally, the towing of pulpwood in dumb barges should be considered with reserve. In most cases, analysis will show that conveyance by self-propelled barges will be more advantageous than towing.

Industry Realizes Benefits Irom Employee Education

Report by G. Carruthers, Chairman General Committee on Education of the Canadian Pulp and Paper Association.

Your committee feels that the interest of employees and executives in matters affecting education and training is increasing. This, with a few exceptions, has not so far led to the development of organized local work, or in adequate support by the mills of the means now provided for study. It is apparent that probably not three per cent. of the time office employees of the mills are either studying correspondence courses or are enrolled in classes.

It is the belief of your committee that while in individual cases the personal ambition of the employee may be depended upon to take up and pursue a course of study to its conclusion, such cases represent a numerically unimportant fraction of the total.

Results Worth While

Mills both in Canada and the United States that have spent the most time and money in educational work with their employees are agreed that the results are well worth the expenditure.

Your committee believes that, while the present agencies will be used to an increasing extent, some more definite policy of development at a moderate expense to the association and mills would be warranted by results in comparatively short time.

Plea for Que. Settlers Made at Convention

HON. J. L. PERRON
at Pulp and Paper convention

"I do not believe that you should allow 700,000 cords of pulp wood to go to the United States, you who control the mills. Since 1910 these 700,000 cords have been exported from wood cut by settlers and small farmers. I need not tell you how jealous these settlers are for the development of this province; I need not tell you how valuable these settlers are to us. I think the solution lies with you in preventing the export to the United States of these 700,000 cords of pulp wood. This, I think, can be done by purchasing their timber at a reasonable price so that they can make a living out of their operations."

Research Work Handed Over to New Institute

Report by H. J. Burke, chairman of Technical Session of the Canadian Pulp and Paper Association.

Your technical section wish to report an active year. Our most important work was that of taking over the activity previously carried on by the research section. The usual January meeting and summer mill inspection trip were successfully held, a limited amount of committee work done, substantial increase in membership has taken place and our bank account shows a balance of $910.51.

At the last annual meeting of the association you will recall that a resolution was passed as follows:

"Resolved: That, inasmuch as the Research Section are agreed in principle that their functions might with advantage revert to the executive council of the association and the technical section as soon as the research building, now nearing completion, is ready to occupy, we recommend to the association that steps be taken to that end, and that the details involved, including that of devising a satisfactory scheme of organization and operation for the new laboratories, be referred to the incoming executive council, with authority to act, due consideration to be accorded to existing agreements with the Dominion government and with McGill University."

Studies Future Plans

The research section having advanced the arrangement and organization of the research endeavor, as a section of the main association it was first necessary for the technical section to familiarize themselves with the various details, agreements, programmes and other plans which were under progress at the research institute. This has involved a large amount of time and study on the part of the technical section in which they have been assisted by members of the research section and also by a pamphlet prepared by the permanent staff of the association.

Research Section Dead

Realizing that when the research section activity would revert to the technical section that the executive council of the association would expect a joint recommendation from both sections of a form of organization for carrying on the work at the research institute, joint meetings were arranged for both sections. Details of organization, personnel and agreements were gone over, including the renewal of the agreement with the Federal government for the joint operation of the division of pulp and paper, forest products laboratories of Canada, which was later renewed by the research corporation for a period of five years ending 1933. The conclusion of these meetings was a resolution which was unanimously adopted by both research and technical sections on May 31, 1929, which is as follows:

Whereas, the research section will shortly cease to exist, in accordance with the action taken at the annual meeting of the association, thereby doing away with the present advisory committee dealing with the operation and control of the Pulp and Paper Research Institute; therefore,

"Be it Resolved,

"That we recommend to the Canadian Pulp & Paper Association that 'administration and control' of the co-operative research work of the Pulp & Paper Research Institute be invested in a committee, three of whose members shall be appointed by the executive council of the association, and two by the government, such committee to be empowered to invite McGill University to appoint two additional members to represent the interests of the University."

Appoints Committee

The resolution was then submitted to the executive council of the association and unanimously adopted. The technical council was then requested to recommend three men for industry's representatives on the joint administrative committee.

The joint administrative committee held its first meeting on September 14, Messrs. E. H. Finlayson and T. A. McElhanney having in the meantime been appointed as members thereof to represent the government. Mr. F. A. Sabbaton was chosen chairman and Edward Beck, secretary. The committee took under consideration the new agreement made with the government and gave the same its approval. Arrangements were made for carrying on the committee's financial undertakings and a foundation laid for future work.

Held Other Meetings

Three subsequent meetings have been held at which conferences regarding the program of work and other matters have taken place with the assistance of the professor of industrial and cellulose chemistry of the university and the director of the pulp and paper division of the forest products laboratories. A tentative list of problems awaiting investigation has been formulated, together with a "List of Proposed Tests for Study and Standardization." Some work is now in progress, but it has not been found feasible to get the full program under way pending the completion of the work of installing the machinery and appliances in the experimental paper mill. This work has been found to be more formidable than was anticipated and has taken longer than was expected. It is now, however, nearly finished, and the committee hopes to get the whole institute away to a good start.

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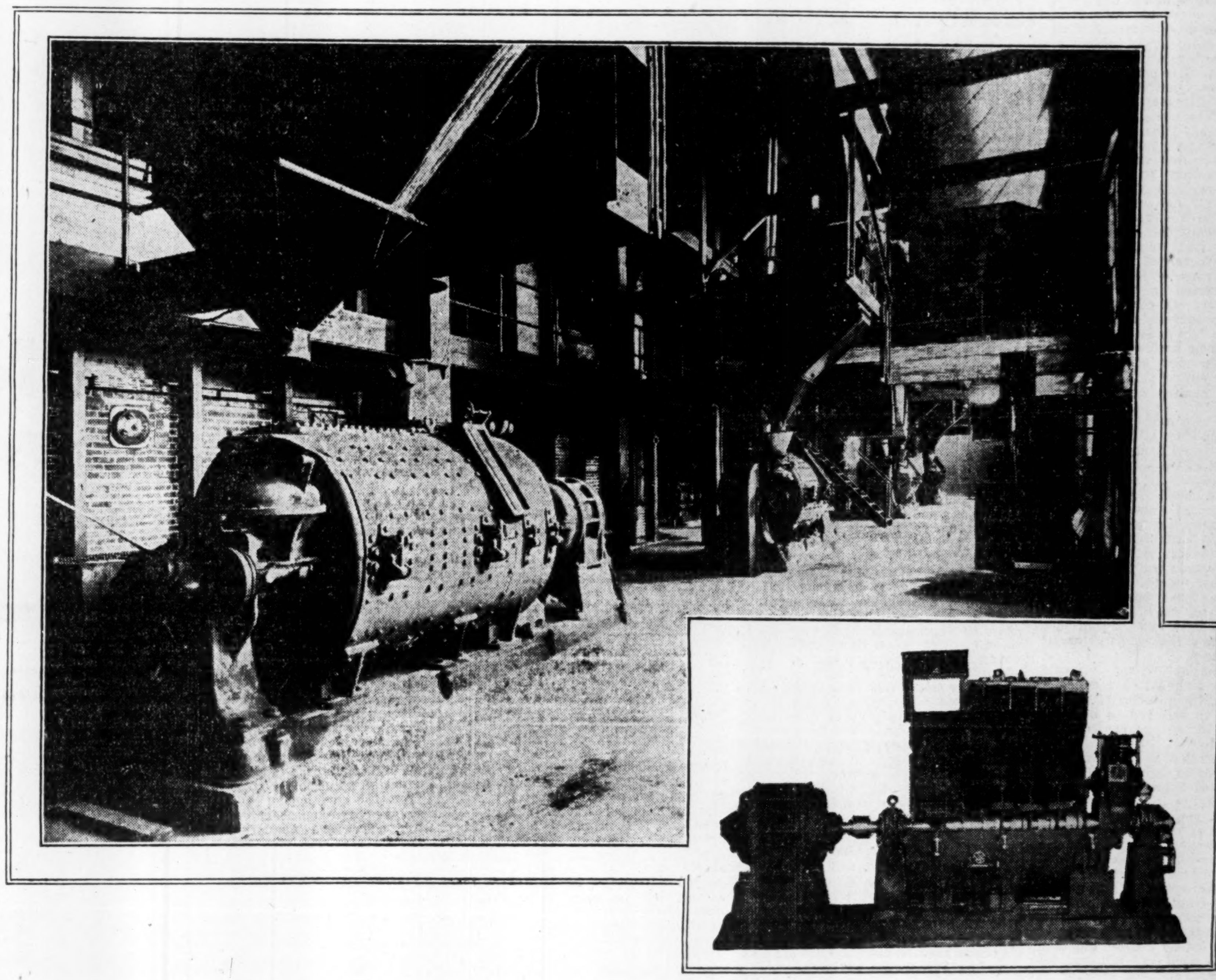

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THREE MILLION PULPWOOD CORDS CUT IN QUEBEC

Annual Production Has Been Trebled in Past Two Decades

A plea to the newsprint companies to prevent the export of pulpwood to the United States by purchasing from the farmer and settler in the province of Quebec, was especially effective when made with the eloquence of Hon. J. L. Perron, Minister of Roads for Quebec. Mr. Perron, before the Pulp and Paper Association, said in part:

"The Province of Quebec, I believe, has perhaps not done as much for the pulp and paper industry as the great Province of Ontario, but it has done all that it possibly could do.

Since 1919 the government of this province has done its utmost to protect its inhabitants and those concerned in the pulp and paper industry, and the government still continues that policy. For six or seven years the government has refused to put up any more timber limits for sale. We have been reproached on this score. We have been told that we are paralyzing the development of the province by this refusal. It is true that we have put up some timber limits for sale, but it is equally true that we have offered them where the province most needed them for purposes of development.

Over-Production Cry

"It is all very well to say that there is over-production. You cannot ask any government to refuse to grant timber limits in the Lake St. John district. The granting of concessions in that district has resulted in the establishment of a railway line there. The same reasoning applies to some other parts of the province; we have not put up timber limits for sale except where it seemed necessary to the development of those parts of the province. I do not think that we have offered timber limits for sale merely in order to permit the installation of a few additional machines by the paper manufacturers.

"The Province of Quebec is very much interested in the pulp and paper industry. Of course, our main resources are devoted to agriculture, but next to this basic industry the pulp and paper business is most important in our province. We are interested in seeing that it is maintained in a healthy and firm condition.

"In your own industry please see to it that nothing is done which is not for the benefit, not only of this province but of the whole Dominion, and more especially of its eastern section. The industry must be maintained on a safe, sound, and sane financial basis. Do not forget that you have sold securities to the people of this province, securities which have been distributed widely. I have no doubt that not one of you would like to see these people lose the savings which they have invested with you. I have enough confidence in you to know that you will protect your investors.

"I have perhaps spoken at greater length than I should have done. As a member of the government will you permit me to ask you to do something, not for the government, but for the people of this province? I have told you that, in 1910 there were 700,000 cords of pulpwood exported to the United States and since that time this figure has not increased, fortunately, and with due respect to my friends of the United States. I believe, however, that the situation in this province is not what it should be. I do not believe that you should allow 700,000 cords of pulpwood to go to the United States, you who control the mills. Since 1910 these 700,000 cords have been exported from wood cut by settlers and small farmers. I need not tell you how jealous these settlers are for the development of this province; I need not tell you how valuable these settlers are to us. I think the solution lies with you in preventing the export to the United States of these 700,000 cords of pulpwood. This. I think, can be done by purchasing their timber at a reasonable price so that they can make a living out of their operations."

PULP AND PAPER INDUSTRY GROWS IN NOVA SCOTIA

Reforestation Plays Large Part in Development Program

The entry of Nova Scotia into the newsprint field was discussed by Hon. E. N. Rhodes in a speech at the annual dinner of the Canadian Pulp and Paper Association. He said:

"Although this province is the latest to enter the newsprint field it possesses qualities which are not peculiar to any other province; it is convenient to tide-water and has all the year round harbor facilities, with harbors free of ice. Another advantage is that the manufactured product can be transported at the lowest rate for water-borne traffic, without the intervention of a rail haul. Our water powers are sufficient for our needs. An additional advantage consists in the proximity of the raw material to the mill. The export of pulpwood in this small province last year amounted to 200,000 cords, cut from only a small portion of our timber area."

Pulp and Paper Men Elect Their Officers

Although the official list of members of the executive council of the Pulp and Paper Association for 1929 has not been published yet, the following individuals, through virtue of their respective appointments, are members of the council:

Col. C. H. L. Jones, Mersey Paper Company, president Pulp and Paper Association.

R. H. Nisbet, Price Brothers, chairman, Woodlands section.

R. A. McInnes, Anglo Canadian Pulp and Paper, chairman, technical section.

Election of Officers of Woodlands Section

The Woodlands section of the Pulp and Paper association provided two busy days for its members during the annual meeting of the association. Meetings were productive of interesting and constructive papers, which have been reprinted in part in this issue.

Officers of the Woodlands section elected for the coming year are as follows: R. H. Nisbet of Price Brothers, chairman, J. D. Gilmour, Anglo Canadian Company, vice-chairman. Chester Alden, Nashwaak Company, Major, F. M. Benson, Canadian International Paper, C. B. Davis, Abitibi, were elected councillors.

INTERFERENCE FROM GOVERNMENT NOT DESIRABLE

Should Only be Used in Case of Urgent Necessity

"Resort should be had to government interference only as an urgent measure," said Hon. William Finlayson, minister of Crown Lands in Ontario, in referring to the recent demands for government action in the newsprint situation. Speaking at the annual dinner of the Pulp and Paper Association, he said, in part:

"It is a good rule for governments to leave industry alone and to refrain as much as possible from attempts at control. The most that can be expected from any government is some leadership, some assistance, and some advice; but to attempt to coerce or force is, I think, foreign to British custom. This industry does not expect it. The difficulty the industry has been going through recently, is a temporary difficulty, I hope, and will find a solution through your enterprise.

"The Government of Ontario is prepared to act with the Government of the province of Quebec to get the parties together. This industry must be preserved, not only for itself, but for the farmers and settlers of whom Mr. Perron spoke and for the laborers in the towns and cities which you have created. It should be preserved also for the investors.

Newsprint is Great Factor

"So that, having brought the leaders of the industry together, I think we went a long way; perhaps as far as anyone could reasonably wish us to go. The industry is hardly of age, having in mind the fact that you are tonight celebrating your 16th annual dinner, and yet in that short time you have built up the greatest industry in Canada apart from that great basic industry of agriculture. This is a remarkable achievement. Your achievement has gone farther than most people think; it has contributed greatly to the success of every merchant in the country. The export of newsprint from Ontario, I know, has done more than anything else to give us a favorable trade balance in the United States. The export of newsprint has been the greatest factor in keeping the Canadian dollar at a premium in the markets of the world. So, gentlemen, I say that every Canadian must thank the newsprint industry for that condition.

Canadian Car

Shareholders of Canadian Car & Foundry will meet on February 27 to consider the proposal to increase the outstanding common stock of $100 par value in order to retire the bonded indebtedness of the company. It is stated that the company has orders totaling $32,000,000 on hand.

NEWSPRINT MILLS WILL REVITALIZE NEW BRUNSWICK

New Source of Employment Will Stop Emigration

That the Maritime Provinces had found a solution to their difficulties was the optimistic opinion expressed by Hon. J. B. M. Baxter, premier of New Brunswick, in a speach made at the president's dinner of the Canadian Pulp and Paper Association. Referring to the development of the Maritimes he said in part:

"Our policy has been to copy very largely the excellent policy which has been pursued in the Province of Quebec. We have reversed some tradition; we have said to the owners of water powers: 'Go on and develop them yourselves.' We have escaped a tremendous load of debt. Through our policy we have brought ourselves into closer association with your industry.

"To-day, with the mills that are springing up we can see thousands of men obtaining employment, employment which shall stop that emigration which has been sapping the vitality of my province along with others. There is a constant urge to seek out other opportunities in order to render the province more productive than it has been. I want you to think of Canada as a whole; I want you, in whatever arrangement you are making, to realize that it is not wise to build up one part of this Dominion and to allow other parts to fall behind.

Nation's Commerce

Activities of Canadian Chambers of Commerce from Coast to Coast

From Our Own Correspondent

R. P. Lamond, president of the American Steel Foundries, Chicago, vice-president of the Chamber of Commerce of the United States, and C. A. Skinner, secretary of the U. S. Chamber in Washington, visited the secretariat recently. An invitation was tendered to the Canadian Chamber of Commerce to send one or more of its directors to attend the seventeenth annual meeting of the U. S. Chamber of Commerce to be held in Washington, April 30—May 3. An invitation was also extended to send some outstanding Canadian to address the meeting. The business committee of the Canadian Chamber of Commerce entertained the Washington representatives on January 30 at a luncheon, when a round table conference was held.

* * *

An informal conference of the permanent secretaries of Boards and Chambers is being held in the offices of the Canadian Chamber of Commerce on January 31. W. E. Payne, executive secretary of the Vancouver Board of Trade, will be present. Plans for the secretarial session to be held in connection with the Fourth annual convention of the Chamber in Calgary, in September, will be under discussion, together with the local work of secretaries.

* * *

It was decided at the meeting of the National Executive in Hamilton recently, to set up a National Committee on Transportation. In addition to this, it is proposed to establish two committees on agriculture. One of these will be of an advisory character, composed of ministers and deputy ministers of agriculture.—the other will be made up of outstanding agriculturalists or business men of each of the provinces.

* * *

The National Executive of the Canadian Chamber of Commerce has given its endorsation to the holding of an Empire Conference of business men. The object of such a conference would be the discussion of ways and means of greater economic co-ordination in the Empire.

* * *

W. M. Birks, president of the Canadian Chamber of Commerce will leave for Europe on February 8. He will attend meetings of the Executive Council of the Federation of Chambers of Commerce of the British Empire, of which he is a councillor.

* * *

T. S. Dixon, president of the Vancouver Board of Trade, and Wendell Clark, secretary of the Canadian Chamber of Commerce, addressed the annual meeting of the Ottawa Board of Trade on January 29.

* * *

A. H. Weaver, Calgary, and W. A. Haddow, Edmonton, have been appointed members of the National Committee on Aviation. This completes the organization of the committee.

Tape Readings

WATERLOO MANUFACTURING

In the January 25 issue of The Financial Post it was stated inadvertently that Waterloo Manufacturing new stock was being offered to shareholders at $25 per share. The price actually is $20 per share, in the ratio of one new share for every four held.

* * *

SERVICE STATION

An additional issue of stock in Service Station Equipment Co. is reported to be possible in the near future, but it cannot be learned whether there will be an offering of preferred or rights on the Class A stock. Service Station is reported to be negotiating for a company in a similar line of business in California.

* * *

NATIONAL RADIATOR

National Radiator Corp., preferred stock of which was sold in Canada more than a year ago, and which, in the early months of the merger, was not doing well, is reported to be in an improving position. The company is under new executive control and prices of its products in the United States have been more stabilized recently.

* * *

DULUTH-TRACTION

Shareholders of Duluth-Superior Traction Co. are not in a very happy position despite the probability that eventually higher rates of fares will be authorized. Duluth and Superior are a small enough community that people who don't like to ride on the cars can walk. Even the traction company's buses are not paying. The Duluth street cars are paying a little but Superior operations are in the red ink.

In the last two years the company has paid out about $78,000 in damage claims—the result of a bad crossing smash. A railroad company paid half the claim, and Duluth Superior thinks that the cost should be split three ways. This $78,000 is the equivalent of $4 per share on the common stock.

* * *

NOT AN IDLER

One prominent banker decries stock-market speculations from an angle not taken by his fellow prominent bankers, nearly all of whom also have decried stock-market speculation. This prominent banker thinks that "well-to-do idlers," young men who have been made rich in the market, are not an asset to the country. Aside from the question as to their value to the country, observers in brokerage offices are wondering if these successful young men can be called idlers. For instance, there is one who patrols the fourteen feet between a New York ticker and a Toronto ticker from 10 a.m. to 3 p.m., every day with no time off for lunch. He is the marvel of the chair-warmers in that brokerage office. He may not be usefully employed, but he is not idle.

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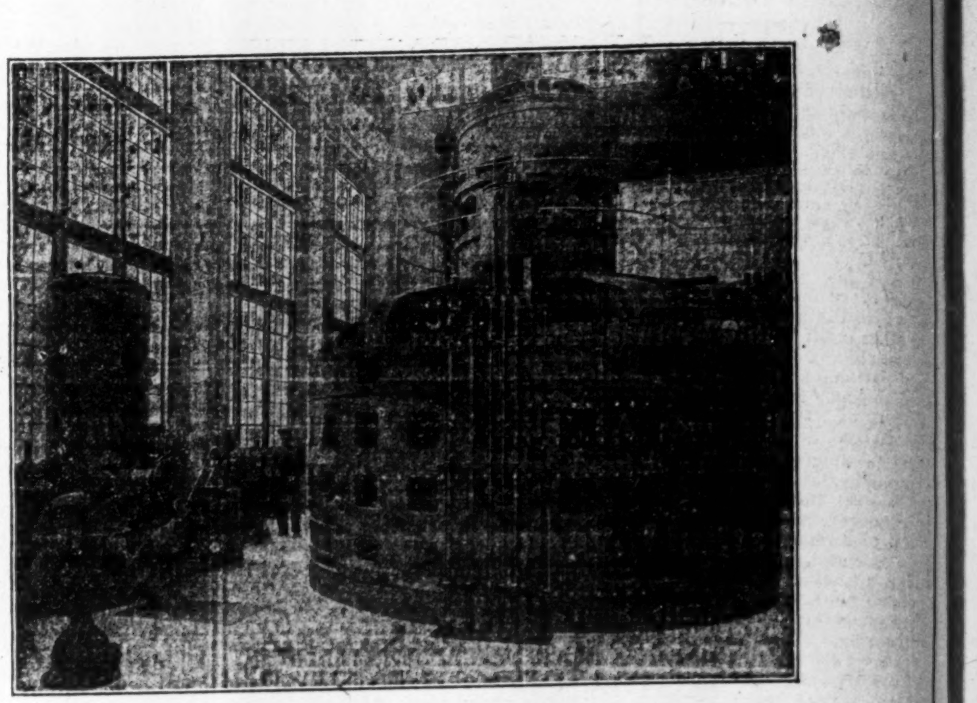

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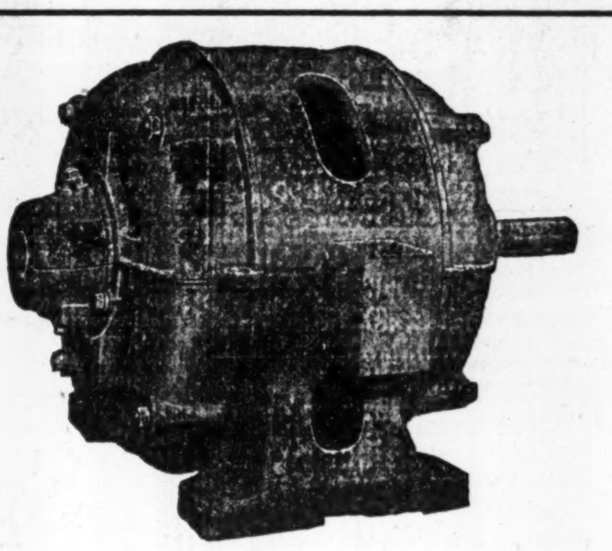

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PULP AND PAPER MILL INSTALLED IN NEW INSTITUTE

Many Experiments and Tests Will be Carried Out

There is a complete pulp and paper mill in the Pulp and Paper Research Institute, the new headquarters of the Pulp and Paper Association. It is part of the equipment of the Forest Products laboratories, and will render invaluable assistance in experimental work in pulp and paper research. The mill is of semi-commercial size and will produce all grades of paper from newsprint to bank note stock. Many of the machines are actual models of bigger machines, scaled down to the proportion of the rest of the equipment.

All phases of operations of a pulp and paper mill are represented in the experimental mill. Wood may be chipped and cooked to make sulphite pulp, or ground wood pulp may be manufactured for mechanical pulp. Several innovations have been introduced in the various machines, and equipment installed offers every opportunity for experimental work. In the testing room there are instruments which will accurately measure the thickness of paper, its tearing, creasing and tensile strength.

A chemical laboratory, a dry and wet testing laboratory, and a dark room for color testing, are other features which will aid research work in pulp and paper production. To further experimental work in paper-testing, a controlled humidity room has been installed. Conditions of temperature and humidity can be varied, so that tests can be made under normal or abnormal conditions.

With such an elaborate equipment at its command, the Forest Products division are in a position to help materially in the development of the pulp and paper industry as a whole.

Paperboard Mills Find Good Business Conditions

Report by D. F. Robertson, chairman Paperboard section of the Canadian Pulp and Paper Association.

Business conditions throughout the country during the past year have been most satisfactory, and the prosperity of Canada has enabled the paperboard industry to operate under more favorable conditions than for some years past.

Demand for boards of all grades has been steady and there has been increased production. There has also been an additional amount of new tonnage put on the market due to extensions to the mills of the Canadian Paperboard Company Limited, and the Fraser Companies Limited, as well as the new mill of the Dominion Boxboards Limited. There was some apprehension at the beginning of the year that the resulting surplus capacity would have an adverse effect upon the market situation. This new tonnage was quickly absorbed and displaced a good deal of paperboard that had previously been imported into Canada. There is still, however, a good deal of paperboard imported into Canada, which tonnage, if given to Canadian mills, would help Canadian industry and increase the prosperity of this country.

The improvement in the industry is reflected in figures showing production and shipments which are as follows:

	Production Tons	Shipments Tons
1927	106.386	107,014 .
1928	115,978	114,452

It is expected that the coming year will see a continuation of the improvement in general business throughout Canada, which was a feature of the year just concluded and in consequence an increased demand for board should result.

During the past year we have also seen an increased amount of co-operation between the mills themselves, which has been of benefit to the industry and which will prove advantageous through the coming year.

The section was reorganized during the year and its membership increased. It is now in a position to render good service to this branch of the industry.

Outlook for Coated Paper Seems to be Improving

Report by George W. Pauline, chairman of Coated Paper section of the Canadian Pulp and Paper Association.

Conditions in the coated paper industry were about the same as last year, none of the mills running to capacity but averaged about five days per week throughout the year.

Foreign competition became rather acute during the last six months of the year and it was found necessary to take steps to meet this condition. The re-arrangements made appear to have met favor with the trade, and this, coupled with the bettering of conditions in the United States, has materially assisted the industry and given a feeling of confidence to the buyers.

During the past year two of the coated paper mills, viz., Ritchie and Ramsay, Limited, of New Toronto, and the Georgetown Coated Paper Mills, Limited, of Georgetown, Ontario, were amalgamated with the Lincoln Pulp and Paper Company, Limited, under the name of the Alliance Paper Mills, Limited.

This amalgamation has reduced the number of operating coating companies in Canada to four, which are amply equipped to take care of all the coating requirements for some considerable time to come.

The outlook for the year 1929 is very good. All the mills report a good volume of business being offered with every prospect of its continuing.

Wax Paper Outlook is Improving

Report by E. A. Bradshaw, chairman of the Waxed Paper section, Canadian Pulp and Paper Association.

In reviewing my report submitted at the last annual meeting, there appears to be several points worthy of comment.

I am glad to say that my expressed optimism for the year 1928 has been realized to some extent, and, whilst conditions are by no means ideal, I think that I can safely say that they have been more stable and prices have been more firm than for several years past.

Business volume does not appear to have increased to any appreciable extent and existing plants could easily absorb a production 100 per cent. greater than to-day's demand. Until such time as demand does grow, the waxed paper manufacturer is bound, therefore, to seek other lines to fill in otherwise idle machine hours.

My mention of mergers in the baking and confectionery trades is particularly interesting in review. Through 1928 we have met an ever increasing list of mergers and even mergers of mergers. The consequent centralization of buying power is not without its own threat to our industry and, in fact, its effect has already been felt.

I feel, however, that my previous optimism was well founded and I see no reason why the betterment of conditions should not go on through 1929.

COSTS OF WOOD ARE DEPENDENT ON MANY FACTORS

The various ways of determining volume of wood delivered, was outlined in detail in a paper read before the Woodlands section of the Pulp and Paper Association by W. G. Wright. Mr. Wright said in part:

There are various ways of determining volume of wood delivered.

For purposes of checking quantities delivered against quantities cut and driven, it is preferable to relate number of pieces delivered to total pieces cut, and average volume per piece delivered, to average volume per piece according to woods scale, rather than to limit the relation only to total volumes of wood cut and delivered.

It is at once apparent that average volume per log in terms of deliveries at the mill, since the latter includes overrun and culled wood whereas the former does not. Further, where wood is driven, we may expect the number of pieces delivered to be less than number of pieces cut by the amount lost by sinkage. There are other sources of difference between woods scale and wood deliveries; the following are important:

1. Woods scale in board feet, in cubic feet or in cords does not necessarily give a true, or even constant, expression of the volume of wood cut. The relation between board foot volume and true volume in cubic feet varies with size and character of timber: the scale in cubic feet, if based on measurement of the two ends of the log, is subject to error in true volume resulting from the effect of basal flare in butt logs: the true cubic volume of the cord varies with scaling practice as, no doubt, do the true volumes by the two other units of measurement.

2. If it is necessary to winter large quantities of wood in different sections of the operations tributary to the mill and if the wood in these different sections varies in average size, it is difficult to calculate, from the woods scale figures, a true average volume per piece for wood to be delivered at the mill during any one season; that is, the woods scale figures alone are not sufficient to supply an average volume per piece for wood deliveries.

Woods Scale Unsatisfactory

For true costs there are two essentials; first, bone-dry weight of wood and second, a true volumetric measurement; it is probable also that conversion costs should be considered.

Woods scale, therefore, does not provide a satisfactory basis for true costs; it is a volumetric and not a weight, measurement, and it is not necessarily a true measure of volume; generally it is not. I have endeavored to show the manner in which true volumetric measure of wood may be obtained and the way in which cost of wood in terms of the true volume may be arrived at. Costs are kept for the purpose of defining as closely as possible the costs of various processes of manufacturing and for the purpose of comparing these costs with costs of similar processes elsewhere; costs based on true volume are of more value for these purposes than costs based on an incorrect volume such as woods scale generally provides. So that, even though weight and conversion costs are not considered as a basis for costs of pulpwood, the determination of true volume of wood delivered at the mill will be a step towards closer costs of wood. The conversion of the true volume into bone dry weight is a simple operation, and the amount of work involved in the operation is no reason why weight should not be used as a basis for costs. I have no doubt that the mill people could supply some factor to provide for differences in conversion costs.

Getting At The Costs

In general, therefore, we may say that if we desire a true figure for volume of wood delivered at the mill, we must measure it on delivery; figures derived from wood's scale do not give sufficiently close results.

Even though we measure volume of wood delivered at the mill we have still to find a means of determining the cost of this wood. We have costs for the volume of wood cut, according to woods scale, and these costs must be applied to the volume of wood delivered; this operation can only be correctly carried out when the wood has been rotated. If wood is rotated annually, reasonably correct annual costs for wood delivered can be counted on. If wood is wintered, correct costs for wood deliveries can only be obtained after two or three or more years when the wood has been rotated; in the meantime reasonably close figures can be provided to translate average volume per piece in terms of woods scale into average volume per piece in terms of wood deliveries and, if we are able to predict with reasonable accuracy the loss we may expect from sinkage under given conditions, costs in terms of woods scale can be converted into costs in terms of wood deliveries, so that, having measured the volume of wood delivered, we can calculate annual or monthly costs of wood received by the mill. If a surplus or deficit of wood in transit appears when wood is rotated or at any other time, necessary adjustments of costs can be made.

MEMBERS KEPT BUSY DURING CONVENTION

The Canadian Pulp and Paper Association began its 16th annual meeting on Jan. 21, in Montreal with a meeting of the board of directors of Canadian Pulp and Paper Research Corporation to pass upon the reports submitted to the Association. On the following day the doors of the Canadian Pulp and Paper Research Institute were thrown open to visitors. In the afternoon a conference on cellulose chemistry was held in the assembly room of the institute. On Wednesday the technical section meetings were held in the Institute and the W[illegible] Association [illegible] in the Ritz Carlton Hotel.

The bo[illegible] a meeting on the [illegible] chairmanship of Harold [illegible]

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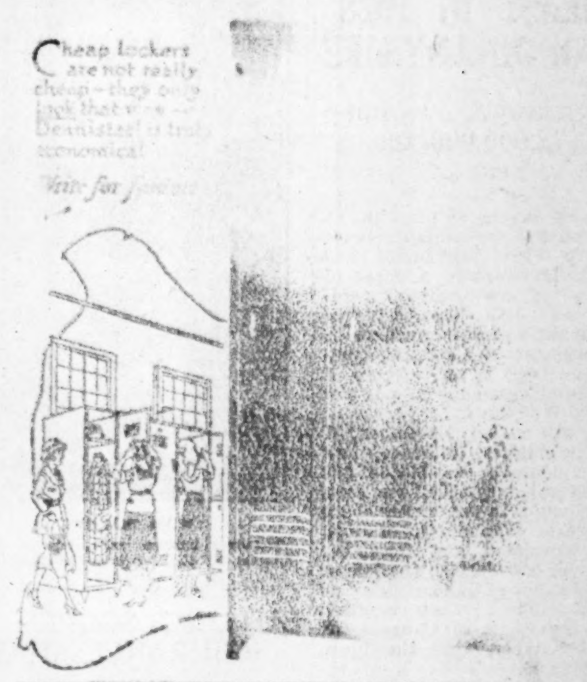
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Quantity power, near at hand, means low transmission costs and cheap power. Rates vary from $18.00 to $28.00 according to requirements.

Concerning raw materials, Hull is the gateway of the Ottawa Valley, world famous as a great forest area.

THE trend of industry is toward "decentralization" which may be defined as the process of establishing branch plants or the establishment of factory extensions—away from the congestion of large cities—in smaller cities or communities.

Hull fulfills to an amazing degree the purposes of industrial "decentralization."

Hull is not too small nor yet too large a city. It combines the advantages of the larger cities in relation to educational, shopping, hospital, police and fire protection and amusement facilities. Its immediate adjacency to Ottawa, Canada's capital, is an interesting feature.

Better labour conditions is another of the aims of "decentralization." In this respect Hull's conditions are excellent. Hull's labour is noted for its steadiness. Over 75% of the workers own their own homes—the most of these within fifteen minutes' walk of the factory, permitting having lunch at home. Rentals and taxes are low and housing conditions much more favorable than in the congested larger cities. Easy access to the country for recreational purposes also is an asset—the Gatineau Valley being famous for its beauty in summer, and as a skier's rendezvous in winter. Fresh farm produce is economically at hand.

Strategic location in relation to markets meets another important demand of industrial "decentralization." In this Hull is outstanding. Hull is centrally located to over 61% of Canada's markets—representing the most recently estimated 5,707,400 population of Ontario and Quebec—Canada's largest and most concentrated market area. On the direct trans-Canada route of the Canadian Pacific Railway, Hull's location is admirable in relation to Western and Eastern Canadian markets.

Another advantage of locating your industry in Hull is the availability of many fine factory sites with ample room for expansion. The Hull tax-rate is low (15 mills) and a low and fixed assessment for ten years can be arranged—renewable at the end of that period. Hull has no municipal income tax, no widow's pensions, no minimum wage scale.

Hull offers you, too, the close and personal co-operation of its civic administration for the success of your industrial undertaking—a friendly asset not always available in the highly-organized larger cities.

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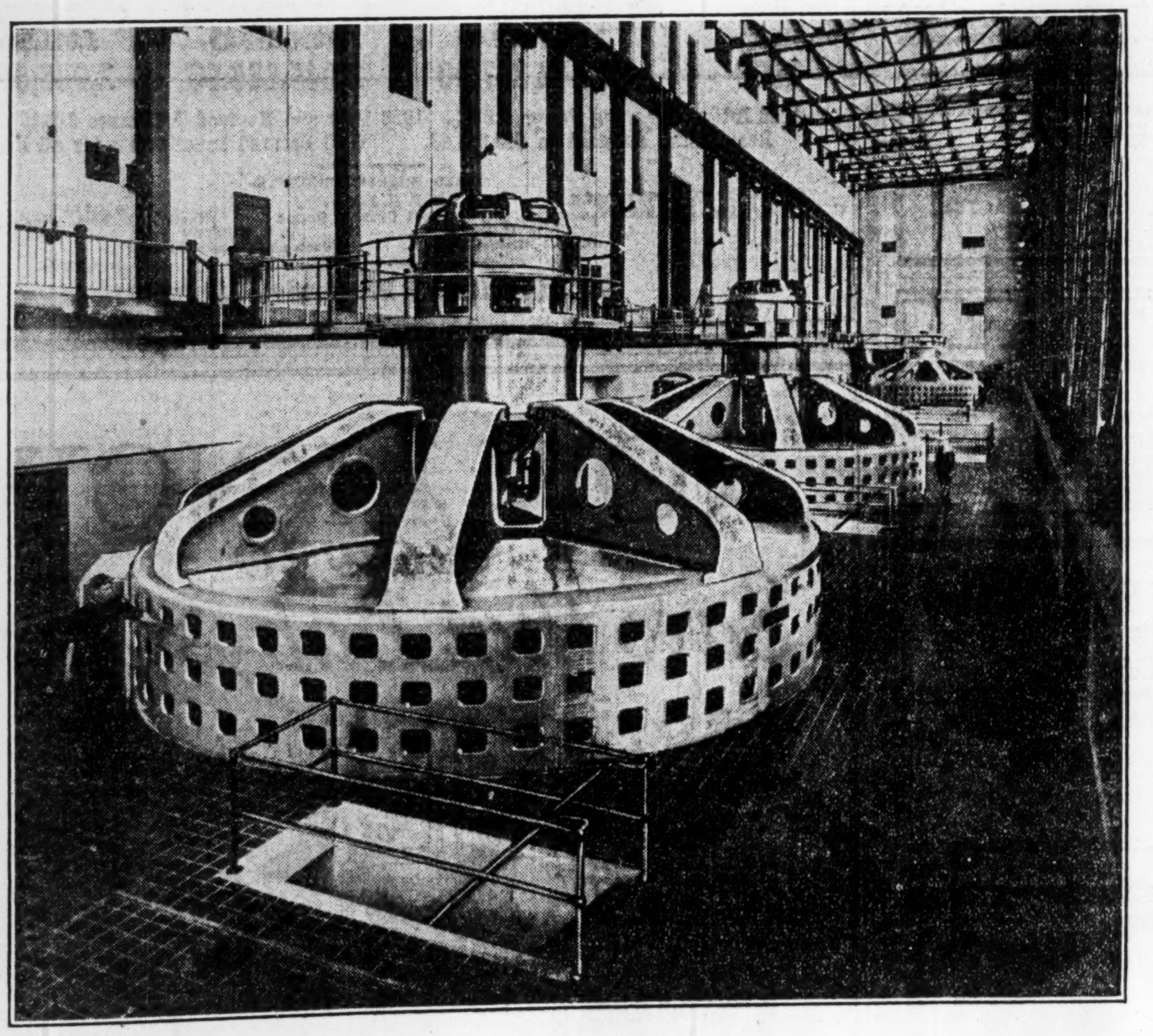
Major Alban Laferriere J P Director of Publicity City of HULL P Q

BRING YOUR INDUSTRY to HU

Key City of a Great Hydro-Power and In



Serving Canada Electrically

C. G. E. generators are playing a vital part in hundreds of Canada's generating stations helping to produce low-cost electricity for industries, municipalities, offices and homes.

With five manufacturing plants and eighteen branch offices, C. G. E. facilities provide for every electrical requirement.

C. G. E. generators operating in a large Canadian generating station, are shown above.

CANADIAN GENERAL ELECTRIC Co. Limited

HEAD OFFICE TORONTO. SALES OFFICES IN ALL PRINCIPAL CITIES

Insurance for Buyer and Seller

SIXTEEN PER CENT. INCREASE IN 1928 IN ORDINARY LIFE

Recent Survey Shows Jump of $78,000,000 for Year

Companies having 84 per cent. of the legal reserve ordinary insurance business in force in Canada and Newfoundland reported a total of $580,674,000 of new ordinary paid-for business for 1928. This, of course does not include group insurance or foreign business of Canadian companies. The total is an increase of $78,000,000 which amounts to 16 per cent. of the 1927 figure.

The month ended December 31 showed the highest increase, new business amounting to $56,647,000 being written. Sixty-seven per cent. of the companies in the survey share in the increase. The months of June, October, November and December were all over $50,000,000, the lowest figure being that of June, which was $51,844,000. The lowest monthly total for the whole of Canada was that of September, when the figure was $38,872,000.

Ontario in Lead

The Provinces of Ontario and Quebec, led the year with totals of $224,702,000 and $156,717,000 respectively. The lowest figure was that of Prince Edward Island, which reached $2,757,000, Newfoundland being next lowest with $4,384,000. This amount, however, is 43 per cent. in excess of the business done in the Ancient Colony in 1927. The leading city was Hamilton, Ont., which showed an increase of 60 per cent. All cities in the Dominion reported increases.

If the present rate in increase in ordinary paid for life insurance sold by the companies subscribing to the report is maintained, the total of new business secured in Canada during 1929 should be close to $675,000,000. If the companies who do not subscribe to the report and who have about 16 per cent. of the total business in Canada are included in the estimate, the figure will reach nearly $800,000,000 in addition to group and other totals.

The figure for 1927 was slightly over half-a-billion and many ascribe much of the $78,000,000 increase in 1928 to the conditions of the stock market during that period. There have been a number of people who made money unexpectedly, and much of this money found its way into the coffers of the insurance companies. The maintenance of the present rate of growth is dependent to a large extent on continued prosperity among the class of people who buy life-protection whenever they have sufficient funds in hand to increase their holdings.

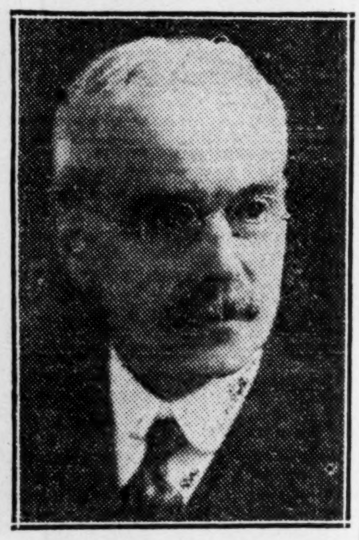
A number of policies, purchasers of which were perhaps more ambitious than others and who took out large policies, will be allowed to lapse if the supply of cash to their holders is curtailed. Following a period of high prosperity, life insurance is one of the first to suffer when a falling-off comes.

Maritime Life 1928 Report Shows Substantial Gain

The annual report of the Maritime Life, submitted to the annual directors meeting held recently in Halifax, showed a gain of 35.3 per cent. in insurance in force. The 1928 business brought the total to over $6,800,000. The net assets of the company were also found to be in a better position, having increased by $34,200 during the year to a total of $624,450.

The following directors will function as a board during the coming year: Hon. E. Albert Reilly, K.C., M.P.P., president; J. G. MacDougall, M.D., vice-president; H. R. Silver, 2nd vice-president; Bernard Lockwood, secretary-treasurer and actuary.

Elected Director



W. H. MALKIN.

Vancouver business man, who is now a director of the Dominion Life Assurance Company.

OUTLINES SCOPE INSURANCE SHARES

Company Already Controls Toronto Casualty and Canadian General

With the avowed object of securing a larger share of Canadian fire and casualty insurance business a group of Canadian business men are forming a new company to be known as Canadian Insurance Shares, Ltd.

Rt. Hon. Arthur Meighen, K.C., vice-president and general counsel for the Canadian General Securities, who is handling the organization of the new company, stated to The Financial Post that more than 100 prominent business men from coast to coast of Canada had already subscribed $1,500,000 of the proposed $2,500,000 capital. The remaining 20,000 no-par-value shares are to be issued to the public at $50 per share.

According to Mr. Meighen, the company controls the stock of the Toronto Casualty Company and the Canadian Fire Insurance Co. and is at present negotiating for control of a third company.

Canadian Insurance Shares is to be primarily a holding company and will own all the capital stock of the Canadian Reinsurance Corporation. The latter organization will be formed for the purpose of giving unified control and management to Canadian companies in the fire and casualty business.

Mr. Meighen stated that Canadian firms do only about 4½ per cent. of the business written in this field in Canada. The remaining percentage, he said, goes to foreign-controlled corporations or foreign corporations doing business in Canada. The Canadian Reinsurance Corporation will reinsure the business of the companies controlled by Canadian Insurance Shares and will make a bid for a share of the reinsurance of other companies now going to foreign corporations.

Dividends Resumed by Western Empire Life

The Western Empire Life Assurance Company, according to the annual directors' report, has decided to resume dividend payments. The distribution will be made March 1 at the rate of four per cent. on the company's capital.

The total net income of the company is placed in the report at more than $481,000, the net revenue account receipts being more than 12½ per cent. of the 1927 figure. The company earned interest of $93,700, which was 7.5 per cent. of the mean ledger assets.

The total liabilities of the company are listed at slightly over $1,150,000 of which nearly $1,100,000 is the reserve which covers the liability under all policies in force as prescribed by law. The net surplus to policyholders is slightly less than $58,100.

Policies revived and issued during the year brought the total of insurance in force to $10,500,000, an increase of nearly $1,233,000.

AUTO INSURANCE RATES ARE LIFTED BY HALF IN CITIES

Nearly Ninety Companies Increase Charges For Car Coverage

The raising of automobile insurance rates, which becomes effective February 1, has caused consternation among motor car owners. Representatives of the companies handling this class of business, meeting in Toronto recently, agreed that an increase in rates was "imperative" and it was decided that charges for public liability should be boosted as much as 50 per cent. in some cases. Those for collision will be 25 per cent. higher than the old rates, according to the new schedule. Rates for loss by fire or theft are to be the same as heretofore.

The new schedule is variable, it being pointed out by insurance men that the centres of population produce a larger proportion of claims than do the rural districts. Consequently, the rates for insurance on cars used in rural districts will be somewhat lower than those on autos in cities. Eighty-eight companies agree to the higher rates.

Say Rates Higher Elsewhere

Several reasons are given by the insurance companies for the increase, the chief of which seem to be the increase of claims for damage to property, the growing number of claims by passengers carried in private cars by courtesy of the owners, and the frequency of collisions caused through intoxication or partial intoxication. The Canadian Automobile Underwriters' Association, which conducted a great deal of research into the question a short time ago, found that courts were disposed to favor large amounts where actions were brought and that those insured were often content to "let the insurance company worry over the claims." The association also quotes a number of other reasons which, from its point of view, make the increase necessary.

The insurance companies take care to point out that the rates in cities in Ontario, even with the increase, are lower than most other urban centres on the continent. Motorists, because of this statement, fear that the present rise is only the prelude to another next year.

Unfavorable ratios of losses paid to premiums received were also cited by the insurance men as causes for the increase. In 1927, this branch of the business had a comparatively bad year, the ratio of losses to premiums rising from 50.25 per cent. in 1926 to 55.47 in 1927.

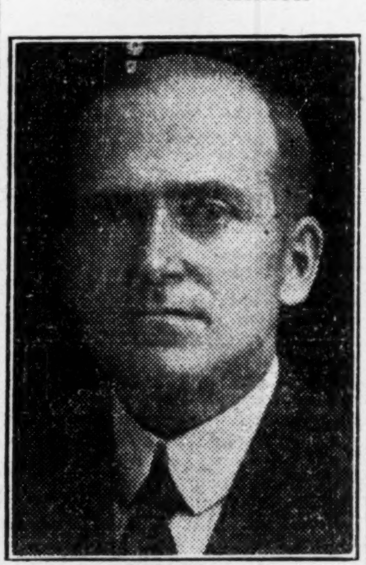
New Business Costly

According to some insurance authorities, losses inherent to new business are much greater than the public believes. The usual cost of business in commissions alone is often 20 per cent. and contrary to the usual popular idea, an increase in business may increase this cost to 30 per cent.

The following table gives comparisons between Toronto rates on three types of cars ranging in price from $800 to $5,000:

Car Costing $800	Old Rate	New Rate
Pub. liability	$11.00	$16.50
Prop. damage	9.00	13.50
Collision ($50 deducted)	24.00	30.00
Fire	3.05	3.05
Theft	3.70	3.70
Total coverage	$50.75	$66.75
Cars Costing up to $3,000		
Pub. liability	$13.00	$19.50
Prop. damage	11.00	16.50
Collision ($50 deducted)	38.00	47.50
Fire	7.50	7.50
Theft	9.05	9.05
Total coverage	$78.55	$100.05
Car Costing $5,000	**Old Rate**	**New Rate**
Pub. liability	$17.00	$25.50
Prop. damage	14.00	21.00
Collision ($50 deducted)	74.00	92.50
Fire	21.25	21.25
Theft	7.40	7.40
Total coverage	$133.65	$167.65

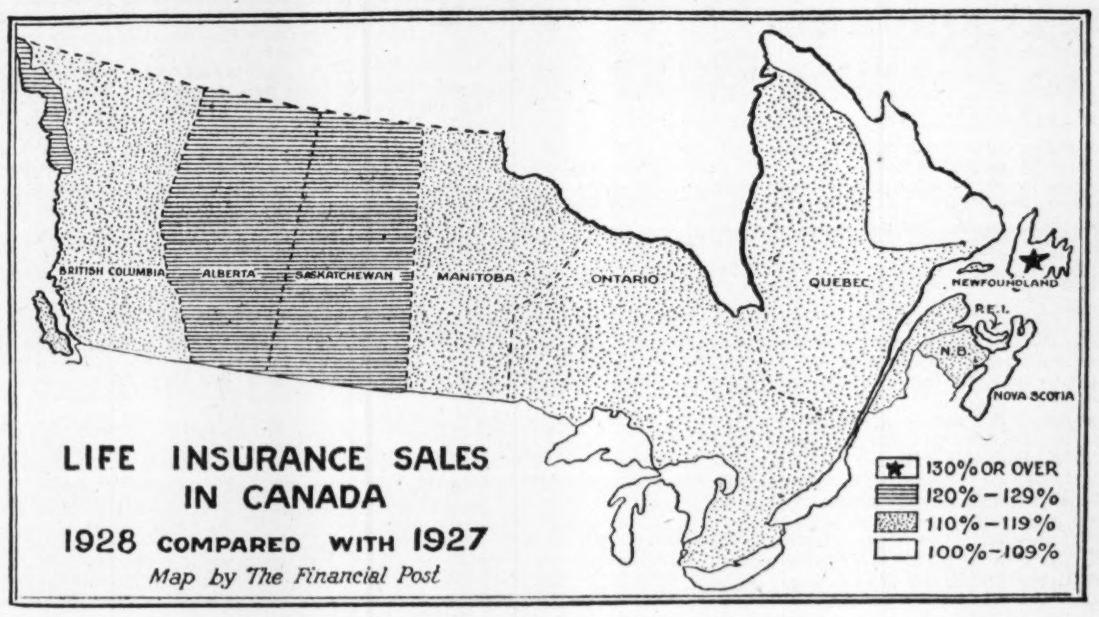
Sells Over Million



P. H. ROOS,

Waterloo, who for three consecutive years has sold more than $1,000,000 of paid-for life insurance a year. Mr. Roos was formerly secretary of Dominion Life and is now the company's Waterloo representative.

Life Insurance Increased in Whole Dominion



The above map shows the increases by provinces of ordinary paid-for life insurance business in Canada and Newfoundland during the past year. The legend in the left-hand lower corner gives the percentage of each province's increase. Figures are by the Life Insurance Sales Research Bureau.

INCREASE BOARD TORONTO CASUALTY

Rt. Hon. Arthur Meighen and Two Others Join Board

Following the announcement by officials of the Canadian General Securities that control of the Toronto Casualty Company had been acquired by the Canadian Insurance Shares, Ltd., important additions were made to the board of the Toronto Casualty, at its annual meeting.

Right Hon. Arthur Meighen, K.C. was made a vice-president of the Toronto Casualty and R. T. Evans and C. V. Cummings were added to the board. The board now consists of the above three men and C. H. Ackerman, M. A. Mackenzie, C. W. Buchanan, Ray Lawson, G. L. Smith, president, and A. E. Dawson, a vice-president.

In his address to the meeting, President Dawson stated that the premium income of the company had reached a figure in excess of $1,000,000. This he characterized as one of the largest premium incomes of any purely Canadian company in the fire and casualty field in the Dominion.

Loss ratio to premiums paid was cut during the year from 61 per cent in 1927 to 50.33, the president stated, and assets have been increased from $780,000 to over $1,275,000. The expense ratio, he said, was 42 per cent. in 1928 and surplus to policyholders had increased over half-a-million.

Monarch Life Shows High Interest Rate

Monarch Life annual report presented at the recent annual, general meeting of the company held in Winnipeg, showed the company's earnings rate on invested funds to have been maintained at the high figure of 7.64 per cent. for 1928.

Business in force was listed at over $57,500,000 with revived and new business for the year totalling $12,170,000. Assets stand at $8,045,000, which is listed as an increase over last year's figure.

Directors and officers were re-elected.

N.Y. INDEMNITY WILL ESTABLISH BRANCHES

U.S. Concern Appoints E. J. Walsh as Canadian Manager

Edward J. Walsh has been appointed managing director for Canada by the New York Indemnity Company. Mr. Walsh was superintendent of agencies and production manager for the Canadian Surety Co. at Toronto for a number of years.

The new managing director has extensive connections among agents and brokers, in Canada, having served successively as special agent, branch manager and superintendent of agencies for the Canadian Surety Company. He is a native of the United States, but has been in Canada for the past 16 years.

Branch offices of the New York Indemnity will be established in Toronto and Montreal and agencies throughout the Dominion. The company will write all lines it writes at present in the United States, with the exception of Workmen's Compensation.

No Compulsory Insurance

The Quebec Provincial Government has no intention of bringing in legislation compelling motor car owners to carry public liability insurance. This is the import of an announcement recently made by Hon. Jacob Nicol, provincial treasurer.

THE MONARCH LIFE
A Progressive Canadian Company
Provincial Offices
Toronto, Montreal, Winnipeg, Regina, Saskatoon, Calgary, Edmonton, Vancouver, Victoria, St. John, Halifax.

THE
Western Empire Life
ASSURANCE COMPANY

EXTRACTS FROM 1928 REPORT

Assets	$ 1,447,392.56
Premium Income	291,041.42
Interest Earned	93,693.95
Policy Reserves	1,091,648.00
Insurance Issued	2,348,867.00
Insurance in Force	10,508,908.00
Paid to Policyholders and Beneficiaries since commencing business	345,894.99

High Interest Earnings

The high interest earnings of the Company—7.51% on the mean Ledger assets—the very favorable mortality experience and the moderate expenses are again reflected in the splendid profits being paid to Policyholders.

Write for Copy of Annual Report
HEAD OFFICE - WINNIPEG, MAN.
WM. SMITH, President.
HON. R. W. CRAIG BRIG.-GEN H. M. DYER, Vice-Pres.
F. C. O'BRIEN, Secretary-Treasurer.
Branch Offices: Regina, Saskatoon, Calgary, Edmonton, Vancouver, Victoria.

The MONARCH LIFE
ASSURANCE COMPANY
HEAD OFFICE -:- WINNIPEG
Summary of Twenty-Third Annual Report
CONTINUED PROSPERITY
Comparative History of Progress

As at Dec. 31st	Assurance in Force	Assets	Premium and Interest Income
1916	$ 9,007,464.00	$ 816,576.01	$ 248,747.78
1922	32,431,349.00	3,000,373.85	1,011,357.04
1928	57,542,267.00	8,045,266.96	2,088,559.27

1928 Interest Earning Power, 7.64%. 1928 New and Revived Assurance $12,170,145.00.
Real Estate Reduced to $49,944.48. Well Secured Investments for all Funds.

FIELD SUPERINTENDENTS
C. A. CRYSDALE, Pacific Division, Vancouver
F. H. PROBY, Western Division, Regina
W. G. NEELY, Manitoba Division, Winnipeg
JOHN H. ROMIG, Ontario Division, Toronto
J. L. ROUTLY, Quebec Division, Montreal

Opportunities for Progressive Salesmen

S. H. HENDERSON, President
C. M. VANSTONE, Managing Director
E. L. McDONALD, Treasurer
Registered with Department of Insurance, Ottawa
Operating in Manitoba, Saskatchewan, Alberta, and British Columbia
THE WAWANESA MUTUAL INSURANCE CO.
Canada's Largest Fire Mutua
FIRE LIGHTNING WINDSTORM
Insurance in force over $150,000,000.00 Assets over $ 2,500,000.00
We are now accepting business in Cities and Towns.
Write us for your requirements.
THE WAWANESA MUTUAL INSURANCE CO.,
Wawanesa, Man.

The
CANADA NATIONAL FIRE
INSURANCE COMPANY
Head Office - Winnipeg, Man.
E. F. HUTCHINGS, *President*
HENRY SANDISON, *1st Vice-President and Managing Director.*
T. S. MCPHERSON, *2nd Vice-President.*
Applications for Agencies Invited

Insurance
FIRE, HAIL and CASUALTY INSURANCE
Of every description effected with leading Insurance Offices.
Our Advisory Service is at your disposal.
OSLER, HAMMOND & NANTON Ltd.
WINNIPEG

He Had a Double Indemnity

A young man, 20 years old, living in a small town in Western Ontario, signed an application to the Sun Life Company for a $1,000 Twenty Payment Life Policy with the Double Indemnity Accident Benefit included, and paid the first premium $29.85.

Five days afterwards he was killed while driving over a level crossing in a closed car.

The first intimation his mother had of his action for her protection was the discovery in her dead son's pocket of the receipt which had been given to him five days before by the Sun Life agent.

On the day that proofs of death were received at the Head Office in Montreal, a cheque for double the amount of the policy applied for was mailed to the young man's mother.

SUN LIFE ASSURANCE COMPANY
OF CANADA
Head Office: Montreal

The
PIONEER
INSURANCE COMPANY
Fire Insurance at Tariff Rates
Pres.—JAMES STEWART
Vice-Pres.—FRANK O. FOWLER
Ex-Mayor of Winnipeg
Sec.-Treas.—J. H. FACHE
Head Office:
WINNIPEG - MANITOBA

THE
Western Empire
Life Assurance Company
HEAD OFFICE
701 Somerset Building
Winnipeg, Man.
Branch Offices:
SASKATOON EDMONTON
CALGARY VANCOUVER

FIRE·MARINE·AUTOMOBILE·ACCIDENT·SICKNESS·BURGLARY·GUARANTEE
WESTERN
ASSURANCE
COMPANY
ESTABLISHED A.D. 1851

Charles E. Otton, Ltd.
1818 Scarth Street,
Regina, Sask.
General Agents, Fire, Automobile, Hail Insurance.
Applications for Agencies invited.

THE PILOT
Automobile and Accident Insurance Company Limited
Head Office: Waterloo, Ont.
Toronto Office:
910 Excelsior Life Bldg.
AUTOMOBILE LIABILITY
INLAND TRANSPORTATION FIRE
BURGLARY PLATE GLASS
GUARANTEE BOND
(non-tariff)
Applications for agencies invited.
Hon. W. D. Euler, President
D. McIntosh, Managing Director

MILL OWNERS
MUTUAL FIRE INSURANCE COMPANY
Assets—$2,704,909 OF IOWA Surplus—$1,282,787
GENERAL CLASSIFICATION OF BUSINESS TRANSACTED
POLICYHOLDERS' DIVIDEND RATE 25% TO 30%
Seneca Jones & Son, Hamilton, Ont.—Canadian General Agents

PRUDENTIAL
ASSURANCE COMPANY LIMITED *of* LONDON, ENGLAND
Assets Exceed $1,000,000,000
Licensed for Fire and Casualty Insurance
Investments in Canada Exceed $35,000,000
Head Office for Canada: 460 St. John St., Montreal
BERNARD HUMPHREY, Manager for Canada
North West Branch: Huron & Erie Building, Winnipeg
Toronto Agency: Parkes, McVittie & Shaw, Confederation Life Bldg.

The Independent Order of Foresters
Organized 1874
TOTAL BENEFITS
Paid to Members and their Beneficiaries
$94.000,000.00
Policies Issued from $1,000 to $5,000
G. E. BAILEY, Secretary
W. H. HUNTER, President
ALEX. STEWART, Treasurer

Confederation

THE Confederation Life salesman has made a special study of all forms of life insurance protection. He has all the facts at his finger tips. By consulting him you have the advantage of gaining expert knowledge without one cent of cost.

Consult a specialist, he knows how to advise you.

"Over fifty-six years' service to policy holders"

Life
ASSOCIATION
HEAD OFFICE
TORONTO

"NOW I KNOW *how to Save that Baby's Arm!*"

A REMOTE settlement in Northern New Brunswick. A famous orthopaedist explaining to a group of doctors and nurses the newest treatment for crippled children

In the middle of the story of a remarkable healing, an excited interruption. A frontier doctor springs to his feet with the exclamation: "Now I know how to save that baby's arm!"

This physician—one of hundreds like the beloved Dr. Maclure of Ian Maclaren's tale—could not afford the time nor the money for a post-graduate course. Neither could the community spare him.

Help has come to these men for the past three years through the visits of eminent doctors sent by the Canadian Medical Association to isolated districts. Last year over 300 such lecturers travelled Canada and Newfoundland, and conducted over 800 clinics, with an aggregate attendance of 25,000 people. Besides bringing relief to hundreds of patients with other ailments, they either helped or cured over 100 deformed children.

The entire cost of this service is annually borne by the Sun Life Assurance Company of Canada. It is one of several similar services, maintained or assisted by this Company to relieve suffering and prolong life.

·SUN·LIFE·ASSURANCE·COMPANY·
OF·CANADA
HEAD OFFICE · MONTREAL

Current Events in Banking World

ONE EX-BANK MAN FOLLOWS ANOTHER AT TORONTO HALL

Bankers Popular Choices as Treasurer of Big City

Both Toronto's last finance commissioner, George H. Ross, who is retiring, and his successor, George Wilson, have spent a considerable portion of their lives in the banking business.

The retiring commissioner, Mr. Ross, was born in Ottawa in 1880, joining Bank of Ottawa, now part of Bank of Toronto, when seventeen years of age. Thirteen years later he had worked his way to the position of inspector of the whole system.

Shortly after 1910 he was appointed manager of the main office in Toronto, which position he held until 1919, when he resigned to become a partner in the brokerage firm of J. G. Beaty & Co. In 1920 he succeeded Thomas Bradshaw as Commissioner of Finance and City Treasurer for Toronto.

George Wilson, who is succeeding Mr. Ross, was born in England, coming to Canada in his 'teens. His first job was in the banking field, his employers being W. F. Haskins, and Co., private bankers of Dunnville, Ontario. In 1890 he joined the staff of the Imperial Bank, holding successively the positions of chief accountant at head office, inspector, and manager of branches at Woodstock, Sault Ste. Marie, Ont., and Quebec City.

In 1911 Mr. Wilson resigned from the Imperial Bank, being appointed manager of the Toronto branch of the Union Bank of Canada. In 1917, when the Union Bank of Canada entered New York, Mr. Wilson was appointed as its first agent. Two years later he took the position of assistant general manager of the Union Bank, in charge of the Eastern Division and having headquarters at Toronto.

When the Union Bank was merged with the Royal Bank of Canada, in 1925, Mr. Wilson retired from the service. He was appointed manager of the White Pine Bureau, a trade-extension organization sponsored by the Canadian Lumbermen's Association. He has been in that position up to the time of his present appointment.

Explore Timber Wealth

Aeroplanes will be used to explore British Columbia's timber wealth this summer, according to plans now being drafted by the provincial government in co-operation with the federal government. Hon. F. P. Burden, Minister of Lands, states that it will be possible to carry out an aerial survey of the forests much more quickly and at smaller cost than by ground parties.

Good Yield of Honey

According to preliminary estimates honey production in the Prairie Provinces in 1928 had a value of $1,031,019. Manitoba production accounted for $866,159; that of Saskatchewan $77,660 and that of Alberta $67,200.

Weekly Bank Clearings

(As compared with same week last year)

Eastern Cities	Jan. 26, 1928	Jan. 25, 1929
Halifax	$ 2,572,184	$ 3,701,154
St. John	2,377,947	2,728,333
Moncton	759,269	906,225
Sherbrooke	833,667	895,665
Quebec	4,667,924	6,002,301
Montreal	148,198,627	164,964,886
Ottawa	6,479,266	9,569,285
Kingston	767,906	852,148
Peterboro	834,901	937,663
Toronto	147,919,269	173,645,623
Hamilton	6,015,931	6,171,021
Brantford	1,185,507	1,485,743
Sarnia	478,463	778,907
London	2,897,822	3,129,450
Kitchener	1,124,985	1,152,363
Windsor	4,117,556	5,242,534
Chatham	1,025,067	......
Fort William	796,931	803,365
Western Cities	**Jan. 26, 1928**	**Jan. 25, 1929**
Winnipeg	$46,035,631	$ 48,004,400
Brandon	453,951	496,056
Regina	4,165,948	4,733,752
Moose Jaw	1,104,476	1,198,627
Prince Albert	360,711	370,666
Lethbridge	360,334	596,540
Calgary	10,576,406	11,845,572
Edmonton	5,213,250	5,799,808
Medicine Hat	330,607	330,607
New Westminster	661,285	1,003,174
Vancouver	19,951,578	26,560,933
Victoria	2,378,159	2,118,079
Saskatoon	......	2,118,079

A Purely Mutual Organization

The Metropolitan Life is a purely mutual Company. It has no stock and no stockholders. It is owned by its policyholders in Canada and the United States. All of its profits, as earned, belong to its owners—its policyholders—and are paid to them.

CANADIAN HEAD OFFICE - - OTTAWA, ONT.

Metropolitan Life Insurance Co.

Canadian Government
ANNUITIES

Attention of investors is called to the yield guaranteed by contracts for life annuities issued by the Canadian government. Contracts may be purchased whereby the annuity is payable for life and for 10, 15 or 20 years in any event.

The number of contracts being sold each year is steadily increasing. The Government Annuity System is provided at cost, all administration expenses being met by the Government. The income from an annuity is free from Federal Income Tax and cannot be seized or levied upon by any law or court. All persons between the ages of 5 and 85 may take advantage of the System. No medical examination is required.

Illustration of yield at various ages for male lives.

55 .. 8.4%
60 .. 9.6%
65 .. 11.2%
70 .. 13.5%
75 .. 16.7%

Descriptive booklet may be obtained free of charge by calling at the nearest post office or by writing to the Superintendent of Annuities, Department of Labour, Ottawa, Ontario.

Superintendent of Annuities
DEPARTMENT OF LABOUR
Ottawa - Ontario

Among Largest Banks on North American Soil, Canadians Stand High

Among the largest banks of the North American continent — ranked in order of total deposits—one Canadian bank stands sixth on the list, while another stands seventh. Three Canadian banks rank among the first ten on the continent. These ten are as follows:

1. National City	$1,349,000,000
2. Chase National	1,126,800,000
3. Guaranty Trust	842,350,000
4. Irving Trust	734,500,000
5. Bank of Italy	698,400,000
6. Royal Bk. of Can.	695,700,000
7. Bank of Montreal	687,000,000
8. Nat'l Bk. of Com.	672,950,000
9. Bankers Trust	584,100,000
10. Can. Bk. of Com.	552,850,000

Deposits in Canadian banks as at November 30, 1928, stood at $2,643,325,154. This amount was $123,929,068 in excess of that for the corresponding period a year before. The largest increase shown was that of the Canadian Bank of Commerce. It must be remembered, however, that these figures are somewhat raised by the fact that the Commerce recently took over the Standard Bank, and most of the increase is attributable to this fact. The Bank of Commerce figures for 1928 showed a jump of $46,942,174, the Bank of Montreal came second with an increase of $39,505,204. The increase recorded by the Bank of Nova Scotia was $24,151,719. The other increases were under ten millions.

Three institutions showed decreases in deposit totals, the Royal Bank of Canada having $5,871,679 less in deposits in 1928 than the preceding year. Part of this decrease was in demand deposits, which might argue that a lot of money was being more effectively used in business expansion. Foreign deposits were also lower. Savings deposits of the Royal increased $14,000,000. The other two banks reporting lower figures were the Banque Canadienne Nationale and the Weyburn Security Bank. The Nationale's figures were $709,050 and the Weyburn deposits were $89,881 lower than the year before.

The increase in Canadian banks amounted to 4.69 per cent.

The first ten United States banks reported total deposits of $7,541,329,250, which was a net increase of $1,156,070,162. Only one of the ten reported a decrease. The figures for the Continental National Bank and Trust of Chicago showed a total which was $4,687,505 lower than that for the previous year.

The percentage of the net increase in United States bank deposits was 15.33 per cent. of the deposits involved, while the showing of the Continental was a decrease of less than one per cent. of the institution's deposits.

Following are comparative tables of the bank deposits of the two countries:

Canadian Banks

Bank—	Standing 1928	Standing 1927	Total Deposits 1928	Total Deposits 1927	Change	
Royal	1	1	$ 695,692,531	$ 701,564,210	decr.	$ 5,871,679
Montreal	2	2	686,980,274	647,475,070	incr.	39,505,204
*Commerce	3	3	552,841,950	505,899,776	incr.	46,942,174
Nova Scotia	4	4	216,137,037	191,985,218	incr.	24,151,719
Nationale	5	5	120,415,036	121,124,086	decr.	709,050
Imperial	6	6	111,672,959	105,235,524	incr.	6,437,435
Dominion	7	7	106,573,115	100,572,210	incr.	6,000,095
Toronto	8	8	104,137,037	100,298,197	incr.	4,015,146
Provincial	9	9	43,832,532	40,284,627	incr.	3,547,905
Weyburn	10	10	5,042,683	5,132,564	decr.	89,881
Total deposits			$2,643,325,154	$2,519,571,482		
Net increase				$123,929,068		

* Bank of Commerce figures for 1927 include those of the Standard Bank of Canada.

First Ten U. S. Banks

Bank—	Standing 1928	Standing 1927	Total Deposits 1928	Total Deposits 1927	Change	
National City	1	1	$1,349,024,386	$1,275,041,964	incr.	$73,982,422
Chase Nat'l	2	2	1,126,781,646	792,339,491	incr.	334,442,155
Guar'ty Trust	3	3	842,358,215	720,029,171	incr.	122,329,044
Irving Trust	4	4	743,455,423	622,176,666	incr.	112,278,757
Bank of Italy	5	5	698,435,840	645,002,138	incr.	53,433,702
Nat'l. Commerce	6	8	672,943,890	537,262,387	incr.	135,681,503
Bankers Trust	7	6	584,088,640	562,069,051	incr.	22,019,589
Continental	8	7	536,634,830	541,322,335	decr.	4,687,505
Equit. Trust	9	9	530,843,927	478,852,294	incr.	51,991,633
Manhattan	10	10	465,762,453	215,820,096	incr.	249,942,357
Total deposits			$7,541,329,250	$6,389,915,593		
Net increase, 10 banks				$1,156,070,162		

†Compilation of American Banker.

DOMINION BANK HAS HIGH WORLD RANK

Stands One Hundred and Fifth Among 29,000 Chartered Banks

In his address delivered at the annual meeting of the shareholders of the Dominion Bank, C. A. Bogert, vice-president and general manager, mentioned the fact that out of 29,000 chartered banks in the English-speaking world, the Dominion Banks ranks 105th. Mr. Bogert drew his comparison from a compilation which measured the banks by their total deposits.

The general manager defended the attitude of Canadian banks in their efforts to restrain loans for stock market purposes. He declared that the primary duty of a bank is to protect its noteholders and depositors.

He also outlined a system of division of bank assets. Mr. Bogert gave it as his opinion that sound banking demanded that cash assets should be about 20 per cent. in public liabilities, 50 per cent. in immediately available assets including readily saleable securities and call loans against collateral.

Scores Speculators

Speaking of speculation, Mr. Bogert said:

"Although experience teaches us that speculation has for the majority only one end—the loss of their money—it is perhaps a waste of words to add to the many recent comments on this subject, for all warnings fall on deaf ears. One very regrettable phase of the situation is, however, that the young man who has speculated successfully often incurs a loss of far greater importance than his money, and that is his inclination to work. Canada can ill spare him from the ranks of the workers and the well-to-do idler is a misfit in this country."

National Brick Market Might be Much Better

From Our Own Correspondent

MONTREAL.—The preferred shares of National Brick have appreciated somewhat due to the expectation that from now on the shares will have an improved market sponsorship. In the past, there has been little interest and little action marketwise in the shares. It is now rumored that when the capital reorganization has been completed an effort will be made to better the position of the shares marketwise. It is doubtful, though, whether any real public interest can be stirred up in an undertaking which has had such an unsatisfactory record in the past—unless, of course, there is to be some very substantial appreciation in earnings in the future. Earnings will probably increase due to the continued high level of building and construction in Canada. Competition is keen in the industry and is likely to remain so. This will have a decided bearing on future earnings.

H. Gonthier Joins Staff of McConnell & Fergusson

H. Gonthier has joined the executive staff of McConnell & Fergusson, advertising agency, Montreal.

Mr. Gonthier was formerly advertising manager of the Banque Canadienne Nationale. Latterly he has been in advertising agency work, and has been responsible for several successful advertising campaigns of well known French-Canadian manufacturers.

Mr. Gonthier is the son of Georges Gonthier, auditor-general for Canada.

At the end of January, the Provincial Bank of Canada had 331 branches in Canada. The province of Quebec had 279 branches, Ontario 28, New Brunswick 20, and Prince Edward Island 4.

MIDLAND BANK
LIMITED

Chairman:
THE RIGHT HON. R. MCKENNA
Joint Managing Directors:
FREDERICK HYDE EDGAR W. WOOLLEY

Statement of Condition
December 31st, 1928

RESOURCES	$5 = £1
Cash in hand and Due from Banks	$ 328,440,006.14
Money at Call and Short Notice	138,406,484.38
Investments	184,343,487.81
Bills Discounted	316,737,515.92
Advances	1,070,254,860.69
Liabilities of Customers for Acceptances, Confirmed Credits and Engagements	372,205,670.68
Bank Premises	43,625,503.83
Investments in Affiliations	34,556,641.46
	2,488,570,170.91
LIABILITIES	
Capital Paid Up	$ 67,164,840.00
Surplus	67,164,840.00
Deposits	1,982,034,820.23
Acceptances and Confirmed Credits	124,711,343.60
Engagements	247,494,327.08
	2,488,570,170.91

Together with its affiliations the Midland Bank operates 2,450 branches in Great Britain and Northern Ireland, and has offices in the Atlantic Liners "Aquitania," "Berengaria" and "Mauretania." The Foreign Branch Office at 196 Piccadilly, London, is specially equipped for the use and convenience of American visitors in London.

AMERICAN DEPARTMENT: POULTRY, LONDON, E.C. 2

HEAD OFFICE: 5 THREADNEEDLE ST., LONDON, E.C. 2

Bank Chat

J. F. GILLESPIE, manager of the Madoc, Ont., branch of the Bank of Commerce, has taken up his duties as manager at Carleton Place, Ont.

J. R. DIER, manager of the Barrie, Ont., branch of the Royal Bank, has been elected president of the Kiwanis Club of Barrie.

RICHARD MAEDER, for the past two years manager of the Neustadt, Ont., branch of the Bank of Commerce, died at the Hamilton General Hospital after a lingering illness.

After twenty-five years service, T. R. WHITELY has retired from the London office of the Royal Bank. He will be succeeded by E. B. McInerney, manager of the Paris branch since 1922.

N. G. HART, who has been manager of the Royal Bank at Barcelona, has gone to Paris, while H. L. GAGNON, formerly assistant manager at the Spanish city, has been made manager.

G. B. BOUCHER, formerly of a Toronto branch of the Bank of Montreal, has taken up his duties at the Belleville branch.

STURGEON OSMET, formerly of the Big Valley, Alta., branch of the Imperial Bank, has been transferred to the branch at Trochu.

MELVILLE WINDROSS, formerly assistant accountant of the Brampton, Ont., branch of the Dominion Bank, has been made manager of the branch at South Oshawa, Ont.

J. G. CRAIG, of Carleton Place, formerly manager of the Chesterville branch of the Bank of Nova Scotia, has presented the curling club of Carleton Place with a handsome cup for competition. It is known as the DUDLEY OLIVER MEMORIAL CUP and is donated by Mr. Craig in memory of his fellow bank-manager in Carleton Place. Mr. Oliver was formerly of Winchester.

GORDON McDONALD, formerly of the Royal Bank, Summerside, P. E. I., branch, has been appointed to the Glace Bay, N. S., branch.

SYDNEY WILKINS has been appointed to one of the Toronto branches of the Bank of Montreal. Mr. Wilkins was formerly assistant accountant at Belleville.

The Port Rowan, Ont., branch of the Bank of Commerce is being renovated. Most of the fixtures of the local Standard Bank premises are being installed in the Commerce offices.

J. W. G. WATSON, formerly manager of the St. Mary's, Ont., branch of the Bank of Montreal and lately manager of the Dupont Street branch in Toronto, has joined the staff of the Royal Trust in Toronto.

The BANK OF MONTREAL announces the opening of a branch at 1197 Wellington Street, Ottawa, to be designated Hintonburg Branch and under the management of J. H. FERGUSON.

J. R. BEATON, formerly manager of the Welland, Ont., branch of the Bank of Montreal, has been appointed manager of the Waterloo, Ont., branch, to succeed J. L. BURWELL, who has retired after 30 years' service. F. J. SHREVE, formerly manager of the Amherst, N. S., branch, has been appointed to succeed Mr. Beaton at Welland.

A. J. CUNDICK, manager of the Kitchener branch of the Bank of Nova Scotia, has been chosen president of the Kitchener Clearing House Association. The other officers are: vice-president, R. D. BOUGHNER, manager, Dominion Bank; secretary, T. R. RICHARDSON, manager, Imperial Bank; and manager, G. E. HAYNES.

EDWARD POPE, of Quebec, has been appointed manager of the Halifax branch of the Bank of Montreal. Mr. Pope will succeed R. R. WALLACE, who has been granted leave of absence after 40 years' service with the bank.

WARREN BALL has been appointed manager of the Pembroke, Ont., branch of the Bank of Commerce.

The Kingston, Ont., branch of the BANK OF COMMERCE has recently opened a new installation of safety deposit boxes.

SIR CAMPBELL STUART and C. J. SMITH have been elected members of the committee of the Canada Club, of London, Eng. The election took place at the annual meeting held recently in the London, Eng., office of the BANK OF MONTREAL, 47 Threadneedle St. The Canada Club now has 466 members.

SIR ANDREW RAE DUNCAN has been elected a director of the Bank of England. Sir Andrew was chairman of the Royal Commission which inquired into the coal industry of Nova Scotia in 1925.

Reports from Stratford declare that the Royal Bank has purchased the building formerly occupied by the British Trust and Mortgage Corporation. The property adjoins the Stratford branch quarters and it is expected that part of the building at least, will be used by the bank.

The Bank of Commerce has opened a sub-branch at Short Street, Sherbrooke, Que. It will be in charge of P. Y. DEMERS.

Chile Buys From Vickers

The Government of Chile has ordered six Vickers "Vedette" amphibian flying boats from Montreal, these being single-engined biplane seaplanes fitted with wheel under-carriage for descending on land. According to Frank M. Ross, vice-president of Canadian Vickers, this is the second order for planes from South America as the Curtiss-Reid Aircraft Company has also completed arrangements for the supply of Reid "Ramblers" to one of the Latin-American countries.

The Mutual Life Assurance Co. of Canada
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R. O. MCCULLOCH, *1st Vice-President* Galt.
J. KERR FISKEN, *2nd Vice-President* Toronto.
C. M. BOWMAN, *Chairman of the Board* Southampton, Ont.
L. J. BREITHAUPT, Kitchener.
W. G. WATSON, Toronto.
SIR LOMER GOUIN, formerly Premier of Quebec.
MAJOR-GENERAL HON. S. C. MEWBURN, K.C., Hamilton, Ont.
LOUIS LA COURSE LANG, Kitchener.
GLYN OSLER, K.C., Toronto.
T. A. RUSSELL, Toronto.
HON. J. FRED FRASER, Halifax.
ISAAC PITBLADO, K.C., LLD., Winnipeg.
W. J. BLAKE WILSON, Vancouver.
E. G. LONG, K.C., Toronto.

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H. M. COOK, A.I.A., F.A.S., *Secretary.*
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J. M. LAING, A.I.A., F.A.S., *Actuary.*
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S-102

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Joins Ad Agency

H. GONTHIER.
who has recently joined the executive staff of McConnell & Fergusson, advertising agency.

Sarnia-Hamilton Horse Dragged Out of Stable

From Our Own Correspondent

MONTREAL.—The old Sarnia-Hamilton merger horse has been dragged out of the stable again. It is once again being said that negotiations are under way leading to a merger of these two bridge companies. Both are controlled by associated interests. It has even been said that in such a deal the Sarnia Bridge "B" shareholders would receive $45 a share against the present price of about $30.

The rumors seem at the moment to be without foundation. Ultimately there is a chance of some closer association between these two companies and perhaps also Canadian Vickers, as all three serve similar or associated fields and are controlled by interlocking interests. It will take some time to work out any deal along these lines and informed investors purchasing the shares of these companies at present only consider such developments as being possibilities rather than probabilities.

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NEW ISSUE

$1,500,000

Dryden Paper Company, Limited

6% Twenty-Year First Mortgage Sinking Fund Gold Bonds

To be Dated February 1, 1929. To Mature February 1, 1949.

Principal and semi-annual interest (February 1st and August 1st) payable at the option of the holder in Canadian Gold Coin of the present standard of weight and fineness at any branch of The Royal Bank of Canada in Canada, or in United States Gold Coin at the Agency of The Royal Bank of Canada, in the City of New York, U.S.A. Coupon Bonds in denominations of $1,000 and $500, with privilege of registration as to principal only. Redeemable at the option of the Company in whole or in part on any interest payment date on sixty days' notice at 105% of the principal amount, plus accrued interest, if redeemed on or before February 1st, 1933; and thereafter at 1% less for each subsequent four-year period or portion thereof.

TRUSTEE: MONTREAL TRUST COMPANY

CAPITALIZATION

	Authorized	Issued and to be Issued
6% 20-Year First Mortgage Bonds (this issue)	$2,000,000	$1,500,000
Common Stock of No Par Value	150,000 Shs.	150,000 Shs.

COMPANY AND PROPERTIES: DRYDEN PAPER COMPANY, LIMITED, was incorporated in 1920 under the laws of the Dominion of Canada, and is engaged in the manufacture of Sulphate Pulp and Kraft, Manilla and Building Papers. The Company's plant is located at Dryden, Ontario, about two hundred miles East of Winnipeg, on the main transcontinental line of the Canadian Pacific Railway. There the Company owns and operates a pulp and paper mill of modern design and construction, with an annual capacity of 25,000 tons of Sulphate Pulp about 15,000 tons of which at present are being manufactured into finished products.

The Company owns in fee simple hydro-electric powers capable of developing 7,000 h.p., of which 5,500 h.p. is now installed and in operation. These powers are well situated and supply low-cost energy to the plant.

The Company's timber limits, which are in close proximity to the mill, consist of 1,100 square miles and are held under twenty-year renewable leases from the Ontario Government. These limits are estimated to contain approximately 2,000,000 cords of pulpwood, which is about fifty years' supply at the present rate of consumption, without allowance for reforestation, growth, or purchase from other sources. The limits are being conserved by the purchase from settlers of more than one-half of the wood which is consumed annually by the mill.

MARKET: The market for the Company's products is mainly in the provinces of Western Canada. Dryden Paper Company, Limited, is more favourably located to serve this rapidly developing territory than any other manufacturer of Kraft and Building Papers, and because of its exceptionally low cost wood, and economical hydro-electric power the Company is, moreover, a potential factor in the markets of the East. There is a steady demand for the Company's Sulphate Pulp in the states of Wisconsin, Minnesota, etc., and the mill is advantageously situated with respect to supplying this market. The Company has secured a five-year contract with the Bates Valve Bag Company, Limited, who have installed machinery in the Dryden plant for the manufacture of cement bags under their patents.

EARNINGS: Earnings have been showing steady and consistent growth. Net earnings for the past three years available for interest on these Bonds, after deducting all operating charges, maintenance and repairs, but before depreciation, depletion and Federal taxes, as certified by Messrs. George A. Touche & Company, Chartered Accountants, Winnipeg, have been as follows:—

Year ended September 30, 1926	$223,558.52
" " " " 1927	274,497.23
" " " " 1928	324,169.11
Annual Interest on these Bonds	90,000.00

Earnings for the last-mentioned period are equal to more than three and one-half times the annual interest of $90,000 on the First Mortgage Bonds to be presently issued. Net Earnings for the current fiscal year are showing a considerable increase and it is estimated that they will amount to approximately $450,000 for the year ending September 30th, 1929.

ASSETS: The Balance Sheet as at September 30th, 1928, as certified by Messrs. George A. Touche & Company, after giving effect to the present financing, shows fixed assets of $6,858,588.81, and net current assets of $840,491.50, making total net tangible assets of $7,699,080.31, equal to $5,132 per $1,000 of First Mortgage Bonds of this issue.

SECURITY: These Bonds, in the opinion of Counsel, will be secured by a First Mortgage and charge on all the Company's assets, present and future, specific as to real estate, plants, buildings, equipment and other fixed assets, and by way of a floating charge as to all other assets. They are part of an authorized issue of Two Million Dollars ($2,000,000); the remaining Five Hundred Thousand Dollars ($500,000) may be issued from time to time, in such amounts as the Directors may determine in accordance with the provision of the Trust Deed for the corporate needs of the Company.

SINKING FUND: A Sinking Fund will be created, payments to which will commence on the first day of February, 1932, which it is estimated will retire two-thirds of this issue by maturity.

PURPOSE OF ISSUE: The proceeds of the sale of these Bonds, together with 50,000 shares of Common Stock, will be used to redeem the present outstanding Prior Lien Notes and Debenture Stock, to reimburse the Company for expenses incurred in the construction of extensions and additions made to its plant and hydro-electric developments, and to provide additional working capital for future corporate needs.

DIRECTORS: The following are Directors: John H. A. Acer, President—President, Eastern Pulp Company, Limited; F. A. Sabbaton, Vice-President—Director, Canada Power and Paper Corporation; Geo. Chahoon, Jr.—President, Canada Power and Paper Corporation; P. A. Thomson—President, Eastern Dairies, Limited; Dan McLachlin—President, McLachlin Brothers, Limited; J. B. Woodyatt—Vice-President, Power Corporation of Canada, Limited; F. Perry—Chairman, Canada Iron Foundries, Limited; E. R. Parkins, K.C.—Director, McColl-Frontenac Oil Company, Limited.

All orders will be received subject to the approval of the proceedings by Counsel and to the issue and sale of these Bonds as planned. The right is reserved to reject any application and also, in any case, to allot a smaller amount than applied for.

These Bonds are offered if, as and when issued and received by us, and subject to prior sale and the conditions stated above.

Price: 100 and accrued interest to yield 6%

NESBITT, THOMSON & COMPANY
LIMITED
Royal Bank Building, TORONTO, 2
Montreal Quebec Ottawa Hamilton
London, Ont. Winnipeg Saskatoon Victoria Vancouver

Statements contained in this circular are not guaranteed but are based upon information which we believe to be reliable and upon which we acted in purchasing these securities.

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Dominion Parliament Revises Whole Trend of Mining Laws

CANADIAN MINING NEWS

Regular Weekly Department of The Financial Post

Jackson-Manion Controversy Is Sensation in Mine World

Real Facts of Frood Are Yet to Come Out; Values Are Fabulous

Financial Post Figures of 18 Months Ago Are Corroborated

UP TO EXPECTATIONS

High Copper and Precious Metal Values Will Make Big Profits

International Nickel slumped off a little during the week due to selling pressure. Some attributed the slump to a report that the widths of ore were far from what was expected and that the tonnage would not total anything like what was expected.

This information will surprise many. Details and widths as revealed by J. L. Agnew, managing director of International Nickel at New York, a week or so ago, conformed with figures published in The Financial Post about the Frood ore body in June, 1927. A little later The Post published details of the widths and values which the Mond encountered below the 3,100-ft. level in a deep diamond drill hole from the 2,000-ft. level of the Frood Extension horizon.

As far as can be learned the developments on the Frood in both the Mond and "I. K." sections have more than measured up to expectations. As thought, the Frood Extension portion shows the greatest widths but the values on the International Nickel 2,800-ft. horizon are quite the equal of those on the Mond at 3,100-ft.

Up to Original Figures

Original estimates were that when the rich ore zone of the mine was reached, the ore would run 60 to 100 feet wide. That is just what it is doing. As to values, it is noticed that not a great deal is being said about the precious metal values. Lord Melchett gave out some figures in London. Mr. Agnew and Pres. R. Stanley of "I. K." have not said much. Engineers say that the reason for their evading this point is that they are afraid to talk publicly about them they are so fabulous. "If the facts were told, they would say we were crazy," said one man closely connected with the nickel merger.

It is the high copper content and the high precious metal values that are regarded as being the great profit makers, and these, it is said, will create some new ore records when fully known.

The realization that the market valuation of the joint enterprise, Mond and "I. K.," had reached the billion dollar mark, make a number of holders nervous and inclined to take profits. This resulted in a statement from interests close to the venture that a great many of the weak holders have passed out and their stock is now in strong hands. This is taken as an indication that strong financial interests are still accumulating the stock and is one of the reasons back of the suggestion The Financial Post is making to readers who inquire, that though the stock has reached such a high level that it is quite speculative, there is good indication that it will sell much higher.

Reserves Justify Valuation

The point is made that a billion dollar valuation really does not mean anything so long as the ore is there to justify it, any more than fifteen to forty million valuation means to the gold mines with reserves justifying such a value.

The point is made that Frood ore is going to reveal surprisingly high values per ton on a big tonnage basis and that $80 to $100 ore will run up earnings at a tremendous rate. In regard to the values per ton, it is interesting to note how New York is coming around to a gradual admission that the recovery portion is going to be very high. Their first figures were two per cent. nickel, four per cent. copper and about $5 in precious metals. Later the copper content was raised to eight per cent. and the last statement seen was that the ore would average better than 10 per cent. copper, two per cent. nickel and $10 to $12 in precious metals.

High Value Per Ton

On this basis this ore would work out as follows: 10 per cent. copper, 200 lbs., $34 per ton; two per cent. nickel, 40 lbs., $14; $10 in precious metals, $58 gross. The writer was informed not long ago in Montreal that the ore would average $50 gross and since then the precious metal values encountered, when I. K. opened up the ore on the 1,600, 2,400 and 2,800-ft. levels, have rather stunned them.

One engineer in discussing the recent bearish reports on the enterprise summed the situation up well when he said: "Believe almost anything you have heard about Frood ore values and tonnage to date, because the real facts are yet to come."

No Nickel Contained in Frood, Said He

" . . . . as a matter of fact there is no nickel in the Frood Mine which is considered one of the largest copper properties in the world."

The above statement was made by Lanford Grant, Eugene F. Phillips Electrical Works, Montreal and Brockville, in a statement before the tariff board for an upward revision of the tariff in copper rods for manufacturing purposes, made June 20, 1928.

J. L. Agnew, managing director of International Nickel Co. stated only a week ago at New York that the combined nickel-copper values of Frood ore on the levels opened up were as follows: 1,200-ft., 5 per cent.; 1,600-ft., 6 per cent.; 2,400-ft., 8 per cent.; 2,800-ft., 22.5 per cent.

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QUATSINO COPPER-GOLD

The certainty of a large smelter on the Pacific Coast immeasurably enhances the attraction of Quatsino as a mining speculation, and the establishment of Coast Copper, the adjoining property, as a great produces places Quatsino in the front rank of the great potential mines of B. C.

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N. A. M. E. GETS HIGH VALUES AT CROW LAKE

Discovery Regarded as an Outstanding Gold Prospect of North

REPORT IS COMING

During Year Company Staked Several Good Looking Groups of Claims

N. A. M. E.'s annual report is now being prepared and the first year's operation of this unique mining enterprise is going to make decidedly interesting reading. This is especially true in regard to the company's experience with aircraft. As to mining results, the facts about this important phase of the operation should also arouse some interest. The company has made nine discoveries, the majority of which are being left for checking up until the coming summer, but all have been passed upon for the company's engineers. The two Crow River groups look important and a considerable amount of work is being done on one of them. On this group on the Howell vein four feet of quartz assay $15.80 and six feet, $12.50, or $11 feet of $14.15 ore.

The above are on the east end of the vein. In the centre section over 11-ft. values run $47.50 and 20 feet, $57. Vein No. 2 is not opened quite so great but over 16-ft. widths they got values of $22.71 while there are several other good sections as well.

A great deal of work has been done stripping the veins and further sampling is being done.

The property looms very important and one engineer who examined it said that the discovery ranked as one of the outstanding gold discoveries of the north.

1929 OUTLOOK FOR RED LAKE IS PROMISING

Transportation Costs Cut in Two by Recent Action

This year looms big for Red Lake camp. The important announcement has already been made that provision has been made for installation of marine railway lines over the important portages. This will cut the cost of transportation from $80 to $40 per ton. This means a great saving to the mines.

The next and one remaining problem is that of power and it is anticipated that this will be solved much quicker than many expect. Premier Ferguson is expected back in his office soon and before the session of the legislature opens it is believed that some news will be forthcoming on the power problem.

Simultaneously with this announcement, it is expected that Pres. J. E. Hammell will come through with definite details of mill plans for Howey Gold Mines, the pioneer operation of the area. If Mr. Hammell's announcement is accompanied with a detailed review of the development of the Howey, the facts will occasion much surprise, for Howey is opening out at depth to be a bigger and richer mine than it is credited with being.

Drifting on the 500-ft. level has opened up an ore shoot 1,500 feet long and the ore will run 25 feet wide with $9 grade or two dollars per ton higher than that shown in the last report. The drift is now being pushed ahead to cut another section, 500 feet farther on, cut by drill hole No. 34, which showed 10 feet of $10 ore.

Sinking of the shaft from the 500-ft. level to the 1,000-ft. has started and four new levels, each 125 feet apart, will be opened, giving eight levels in all.

In addition, a crosscut is being run north on the 500-ft. level to top a parallel zone 1,000 feet away. At the first of the year 300 feet of this drive had been accomplished.

It is reported that Bobjo Mines has made an important discovery at Confederation Lake. This company was organized by Robt. Jowsey and associates, to develop one of the most spectacular gold discoveries opened up in the north. Diamond drilling and test pitting has been going on for some time.

CONDEMNS EARLY ISSUING OF STOCKS

C. A. Bogert Says Practice Harms Canada Abroad

Strong condemnation of the practice of issuing mining stocks when the property concerned is at a very early or premature stage of its development was voiced by C. A. Bogert, vice-president and general manager of the Dominion Bank, when addressing the shareholders' annual meeting.

Mr. Bogert declared that some stocks with no claim whatever to recognition were traded in daily and that it was a great pity that the mining industry, which in proper hands could be making fine headway, should have to suffer through unworthy exploitation. "And it does Canada no good abroad," said the speaker.

"The Ontario government and some sections of the press do what they can to protect the public, but there should be stricter regulation of the sale of stock and close supervision of those who sell it," Mr. Bogert continued.

"British investors accustomed to substantial returns from mining in other countries are not inclined to come into the Canadian fields and some whose ventures—often made without proper enquiry—have not turned out well, regard the whole industry with distrust. There are sufficient sources of investment information in London and it is surprising that fuller advantage is not taken of them," he concluded.

Revolutionary Changes in Federal Mine Act Will Help Industry

New Staking and Assessment Work Plan Will Help Open Out Country — Royalty Tax Gives Way — Results Should be Beneficial

The recent rather amazing changes which the federal minister of mines has made in the regulations governing mining on crown lands, seems to have been overlooked almost entirely. Very little comment is heard and yet the change is perhaps the most radical step that has been taken in the history of the federal bureau.

Federal mining regulations have been under a constant fire since prospectors started to invade the federal-controlled territory during the past few years. Generally speaking the regulations were antiquated, ineffective and quite inadequate for present-day needs.

Prospectors during the past year have over-run the whole of the great north and this more than anything else has focused attention on the great difficulty experienced because the mining regulations were not designed to meet such a situation.

The new regulations, while following pretty closely those of Ontario, are perhaps just a little bit more up-to-the-minute than those of any other. Yet they may be faulty. The change from the old to the new was made in one jump and when in complete operation some adjustments may be deemed advisable.

C. C. Ross, who made a name for himself in devising the new oil regulations for the prairie provinces, is the man who designed the new mining regulations. He spent some time gathering data, studying conditions and various provincial laws and then set out the regulations and features of a new federal measure. They were accepted in toto by Hon. Chas. Stewart and the minister decided to usher them in as soon as possible.

Under the new regulations one person can now stake nine claims, as is the case in Ontario, in each mining division, but in the Northwest Territory the permit is doubled so that 18 claims may be staked. This is because of the long distance that must be travelled to reach this area. Another feature closely connected with the above, is that when claims are staked the prospector may stay and do a season's work before returning to civilization to record.

Another important feature is the adoption of the four-post method of staking and the fact that lines must be run east and west and north and south. This will have the tendency to do away with zig-zag claims and the innumerable fractions that mar every mining camp on federal lands to date. Posts are not always available and so metal tubes or tin cans—prospectors can always get empty cans—can be used.

Work regulations to bring the property to a stage where a lease can be granted are the usual and the important recommendation is made that the acceptance of money in lieu of work, be done away with. This will mean more work and a greater effort to open up the country. It also places all on an equal basis.

Also work must be done. Heretofore the law has demanded the moving of so much rock. Expert assessment work performers have been known to do a year's work on several claims in one day. Dynamite was all that was used. A crevice was found, loaded with powder and shot. The powder manufacturer was the only one to benefit. The country was cheated. Now work must be sworn in and investigated before a certificate can be granted and then only if the work is satisfactory.

A strong feature is the abolition of the old royalty schedule of 2½ per cent. of the sales of the products. In their place will be found a profit tax, the same as in force in Ontario, Quebec and other provinces.

For the purpose of handling the regulations and particularly to see that assessment work is really done, the supervising mining engineer of the department will have a staff engaged at all times and some severe penalties are provided for evasion.

Fees are on the same basis as those of Ontario.

IRON ORE DEPOSIT AT KAMINISTIQUIA SHIPS TO OTTAWA

Tests May Show Canadian Furnaces Can Use in Raw State

Fort William people, always keenly alive to Canada's iron ore possibilities, are keyed up by the action of N. M. Paterson who has shipped a 35-ton car of iron ore from Kaministiquia to Ottawa for testing.

It is hoped that the Ottawa report will show that this ore can be utilized without beneficiation by Canadian furnaces.

The deposit lies about two miles from Kaministiquia station and consists of a mountainous ridge of banded iron ore, which rises just to the north of the old Grand Trunk Pacific right of way, now abandoned, but forming an excellent road for travel by team.

The iron ore is extremely high-grade, running well over to 60 per cent., but the grade is reduced, from a milling standpoint, owing to the Jasper. It is believed that it will be possible to crush the ore and by a purely mechanical process of jigging, eliminate the silicon and leave a very high grade residue of iron ore, which would compete with American ore from the Mesaba and other ranges in the Canadian iron trade.

Returns from the mill test should not take long and should it be shown that the treating of the ore is possible and that a high grade product can be turned out on a commercial scale. Mr. Paterson has very little doubt that Kaministiquia will rank among the iron producing areas of the continent. The tonnage available will run into several million tons, so far as can be estimated from the mere surface showings, which may be increased as depth is attained. Many years ago a shaft was sunk to a considerable depth at the foot of the cliff and apparently the ore continued down as far as the shaft went.

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3 ENGINEERS HIT IN REPORT FIGHT BACK

Messrs. Harcourt, Wright and Harding Reply to Rogers

MERIT IN PROPERTY

So Contends Douglas Wright —Two Are Arrested on Fraud Charge

Harry E. Harcourt, managing director of Jackson-Manion Mines and David M. Thomson, mine manager, have been arrested charged with making false returns.

This development in the Jackson-Manion is a distressing one, yet in light of the public statements made in reply to the charges of A. W. Rogers, the government investigator, it is understood.

Mr. Harcourt has questioned many points made in the report to Jackson- Manion directors. Chas. Kaeding and Douglas Wright have made allegations of unfairness.

Kaeding says he was in no way associated with the Jackson-Manion operation. He was acting as a private individual. As such he was entitled to take advantage for private gain, of any information that came to him. The Government investigator, Mr. Rogers, admits that Kaeding so represented his position to him but that he preferred to accept other information which led him to the conclusions so given in his first report.

Douglas Wright says he resigned from the Jackson-Manion as consulting engineer, holding the view that the property had merit. His dissatisfaction was with the management. It was as an engineer, dissociated with the company, but consultant for another firm, that he came upon the information, that suggested a change in market position from the bullish to the bear side. He so advised a client who was interested in the shares and Wright personally took a bearish position.

Mr. Harcourt's reply in part was as follows:

"If mining propositions in the early stages of their developments are to be subjected to investigation and criticism as has been done in this case, it is not likely that for a long time to come there will be any great development of our undoubtedly enormous mineral resources.

"With respect to my transactions in the shares of the company, I will say that my faith in the property is shown by the fact that I am its largest individual shareholder—that I bought it on the market both for myself and members of my family at over 80 cents a share and still hold it.

"Mr. Rogers makes the point that a brokerage house, in which I am interested, participated to the extent of 50,000 in the distribution of 150,000 shares early in October. Mr. Rogers should have completed the statement by saying that the brokerage house in question paid for these shares at the rate of 70 cents a share and this money went into the company's treasury.

High Assays

"With respect to the assays obtained upon the Jackson-Manion property, a striking feature is the extraordinary variations in them. The high values were not obtained in all instances by Mr. Thomson. In some cases Mr. Hopkins in his report gives values much higher than the mine assays.

"With the information available any statements made by me either to the directors or to the shareholders or in the press are fairly supported by the results obtained as the work at the mine progressed. In this connection it must not be overlooked that it is a very different matter for Mr. Rogers to come in after some months' work has been done and to view the results as a whole, and for the persons in charge of the property to form their opinions from the partial information from time to time acquired. Mr. Rogers has not, of course, attempted to express an opinion as to the future of the property, or as to its value as a mine. These are matters upon which it is evident that even experienced mining men may not agree, as evidenced by the recommendations made by Mr. Hopkins in contrast with certain statements attributed by Mr. Rogers to Mr. Kaeding.

Questions Finding

"The affairs of this company are primarily the concern of its shareholders and my first duty is to them, and while there are many statements made in the report of Mr. Rogers that are open to criticism and to correction the proper place for a full discussion of the matter by me is not in the press, but with the directors and shareholders.

"There are, however, two or three matters of a general nature upon which it is only fair that comment should be made at once.

"In the first place Percy Hopkins in his report and recommendations to the company, made after the examination of Messrs. Dorfman and Kaeding, does not agree with them, but on the contrary thinks well enough of the property to recommend that the company should continue its development. The property is in the early stages of development and is the first property in the Woman Lake district to be developed. If there is one thing more outstanding than another in connection with the development of new mining fields in Northern Ontario and in Manitoba it is that each new field presents its own problem. It is well known that what is now the McIntyre mine was for a long time regarded as a most doubtful proposition; more recently the Sherritt-Gordon property was turned down by three groups of experienced mining men as not being worth spending more money on, and the stock of the present company was peddled about at 25 cents a share for a time.

"It can hardly be suggested that my connection with the matter in any way operated to the disadvantage of the company. I have many friends to whom I have recommended the stock of this company, and who not only continue to hold their shares, but who are loyally supporting me in the view that the property is one worth developing, and they—like myself—intend to stand behind the proposition and expect to see it developed into one of the leading mines."

Three Mine Rescue Stations

Three mine rescue stations will be established in Northern Ontario as an outcome of the investigation into the Hollinger mine disaster for a year ago. These will be located at Porcupine, Kirkland Lake and Sudbury.

Reputations Suffer in Revealing Facts About Jackson-Manion

Mine Shares Transactions Show Many Peculiar Transactions

CRITICIZE MANAGERS

Harcourt's Dual Position Questioned—Mine Still Has Chance Says Mr. Hopkins

Complete exposure has been made of the mining and stock operations of Jackson-Manion. A decidedly unfortunate situation is revealed. Mining men, engineers and brokers are pulled into the case and some of them are revealed in positions that may work against them in the future.

These facts stand out:

Two men have had criminal charges laid against them.

Jackson-Manion has a chance as a mine.

Stock ramifications and associations on the part of interests closely connected with the enterprise and its financing were such that the shareholders' interests suffered.

Reports issued by Managing Director Harcourt to the board and which had an influence in putting the shares up, were not in accordance with the facts.

Members of the financing syndicate, when they learned the condition of the property, unloaded their stock and left the public holding the bag when the market broke.

It is not difficult to see possibilities for good in the exposure, though for the time being it may leave a bad taste in the mouth of the public.

Created Precedent

Ontario's attorney-general has created a precedent in investigating the Jackson-Manion stock ramifications. The report steps on some toes and reputations and in future promoters and engineers will be wary of attempting anything of a like nature. The reaction is bound to be in the public's favor.

Jackson-Manion shareholders who bought the stock away up, when those in the know were unloading, still have a chance, according to the report of Percy Hopkins. It is altogether likely that there will be a complete reorganization of the company's managerial and technical staff before a new program of exploration is announced.

A. W. Rogers, of the attorney-general's department, investigated the stock ramifications and presented a report personally to the Jackson-Manion board at the same time as Mr. Hopkin's report was presented. Mr. Rogers has still further investigations to make and action has been deferred by the board until these have been completed.

Food for Thought

There is plenty of food for thought in the Rogers statement, extracts of which are given briefly as follows:

Extensive Options

An option was given for two years from the 27th August, 1927, to H. E. Harcourt, as follows: 500,000 shares at 20 cents, 500,000 shares at 25 cents, 500,000 shares at 30 cents, and 1,000,000 at 35 cents.

A financing syndicate was formed, the following being members: R. R. Bongard, Toronto, and with him an employe of his, J. E. Dewar, who acted as secretary; J. A. Dunn, T. A. Richardson, of A. L. Hudson and Company; W. J. Sheppard, J. B. Tudhope and Harry E. Harcourt.

These men among them contributed $100,000, $10,000 of which was contributed by T. A. Richardson in trust for Andre Dorfman, an engineer who put up the money and who attended most of the meetings of the syndicate, who states, however, that he did not regard himself as a member of it.

Sale of Treasury Stock

In the fall of 1927 the syndicate disposed of a considerable quantity of stock from the treasury of the company, and in addition some 250,000 shares which were donated by the vendors of the property to Mr. Harcourt, who received a credit of $37,500,000 therefor, of which he donated an interest of $7,500 to Mr. Dorfman and $13,000 to Mr. Richardson. Some 350,000 shares each were distributed to the public by or through both Mr. Bongard and Mr. Richardson and 550,000 through Mr. Harcourt, as a result of which sufficient moneys came to the treasury of the syndicate to enable each member to be reimbursed his original investment, including Mr. Harcourt's credit, divided partly with Messrs. Dorfman and Richardson, and in addition to this some $80,000 was distributed to the syndicate members.

Stock Was Profits

At this time the syndicate had to its credit in addition to its profits, some 445,000 shares of stock which had been paid for, and which might have been distributed to the members of the syndicate as stock which represented a clear profit to them.

On the 3rd of October, 1923, Mr. Harcourt arranged to sell 150,000 shares of the syndicate's stock at 70 cents a share, which brought to the treasury of the syndicate $105,000, which funds were to be used for the purpose of taking up a further 30,000 shares of option stock from the treasury at 35 cents a share.

This 150,000 shares of stock was purchased and paid for by Homer L. Gibson & Company, 50,000 shares; D. S. Paterson & Company, 50,000 shares; and J. C. Ruse & Company, 50,000 shares. Mr. Harcourt then owned and still owns a substantial interest in J. C. Ruse & Company, Limited, and might reasonably, therefore, be expected to be interested in sustaining the price of the stock at a price not lower than 70 cents, so that these purchasers of the stock, including J. C. Ruse & Company, Limited, should not lose on their purchases.

Harcourt Report

Mr. Harcourt in report to the board said:

"On the 125-foot level the total length of drifting has been in high grade ore which might be termed 'a high grade ore shoot,' and neither end of this shoot has as yet been reached.

"On the 250 foot level, 203 feet of the drifting was through shifted area containing the vein which had been slightly disturbed; at 105 feet north of the cross cut the drift came into the high grade shoot which was developed on

(Continued on page 31)

Jackson-Manion Mine Widths and Values

	Widths	Values
	125 ft. level	
Mine	6.02 ft.	$9.90
Kaeding	5 ft.	11.35
Hopkins	5 ft. 2½ in.	9.78
	250 ft. level (south of x-cut 85 ft.)	
Mine	5.7 ft.	4.13
Kaeding	....	Too poor to av.
Hopkins	3⅞ ft.	4.43
	250 ft. level 95 ft. central	
Mine	5.8 ft.	$0.98
Kaeding	....	Barren
Hopkins	....	Barren
	250 ft. level, North end	
Mine	5.8 ft.	$2.87
Kaeding	4.45 ft.	2.52
Hopkins	4.75 ft.	0.87

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REPUTATIONS SUFFER IN REVEALING FACTS OF JACKSON-MANION

(Continued from page 30)

the 125 foot level and still continues in same. Extremely high grade ore is being encountered in this ore shoot.

"A conservative estimate of the average grade of ore drifted through to date will be slightly in excess of $12.00 per ton. It must be borne in mind that this is based on assays made neglecting the spectacular occurrences of free gold which are being continually encountered underground."

In view of the average results on both levels, the ore encountered in either case could, in my opinion, have been properly described as "high grade," and the mineralization on the 250 foot level and could certainly not have been characterized as "extremely high grade ore" nor were spectacular occurrences of free gold altogether ignored in the assays as Mr. Harcourt indicates.

Statement Not Justified

Although Mr. Thompson states that Mr. Harcourt might have gained the above impressions from his letter of the 1st of October, and Mr. Harcourt states that his statement was based upon that letter, Mr. Harcourt cannot, in my opinion, justify the foregoing statements, in view of the fact that he had at all times in his possession the assay sheets from a simple checking up of which he would have known that the statements made by him did not represent the true situation, in other words, that they were not "representative" in any sense of the word.

It may be noted that early in October, after the 150,000 shares had been distributed at 70 cents a share to various brokers referred to before, Mr. Dorfman sold through A. E. Moysey & Co., 5,000 shares on October 5, which he states were for a friend in Newfoundland. C. D. Kaeding sold on October 5, 8,000 shares through A. L. Hudson & Co., and T. A. Richardson between October 5 and 9 sold 14,000 shares. Mr. Bongard sold 10,500 on October 5 and 9. Mr. Dorfman also sold 3,000 shares on October 5, through Bongard & Co. Mr. Richardson's sales were short sales as he purchased 14,000 shares on October 19. This selling by the above gentlemen is interesting in view of subsequent developments.

Wanted Examination

On October 3, 1928, on the same day that the 150,000 shares of stock were distributed among the three firms of Gibson & Co., Paterson & Co., and Ruse & Co., the syndicate concurred in the request by Messrs. Dorfman & Bongard that in view of the rumors afloat that the stock would go to $1.25, an independent opinion should be obtained and arrangements were made through Mr. Dorfman whereby C. D. Kaeding, a well-known mining engineer, would inspect the property. Accordingly Mr. Kaeding's consent was secured, and it was arranged that Mr. Kaeding should do some sampling. Mr. Kaeding had first to visit the Sherritt-Gordon, and while at Winnipeg, either before or after his visit there, he gave instructions to A. L. Hudson and Co. to sell his holdings in Jackson-Manion. As already stated, all but 8,000 of these were sold on October 5, a further 2,000 being sold after his return to Toronto on the 25th day of October.

Mr. Dorfman reached the mine on the 16th of October, and while he was there, 10,000 shares of his stock were sold on October 19, and a further 10,000 on October 22, through Chisholm & Co., so that both of these engineers had sold all of the stock which they had purchased and paid for before they left the property.

Advised Short Sale

Mr. Kaeding arrived at the property at noon on Sunday, October 21, and both he and Mr. Dorfman went out shortly before noon on the following day. Both were down below, and Mr. Dorfman obtained copies of the mine's own assay results.

When they reached the rail head, Mr. Kaeding states that he sent a wire to certain western associates of his, stating that the mine, in his opinion, was a wash out. He had previously recommended it, and felt that he should warn them of the situation. Subsequently, he states, he wired them again to sell for a profit. As a direct result of this, orders for the sale of 75,000 shares came through a Toronto house and were executed on the exchange on behalf of two western engineers, the average sale price on October 24 and 25 being from 70 to 80 cents, and the shares were bought in subsequently from November 3 to 9, at prices ranging from 35 cents to 40 cents, so that a profit of approximately $30,000 was made on this short sale, in which Mr. Kaeding states he expects a share.

Just how any mining engineer of repute can justify such a proceeding, in making use for his own profit of information obtained during the course of a confidential inquiry, is more than I can say. I do not criticize the short sale, but do condemn the manner in which it was executed and the circumstances under which the information was used.

Others Sold Also

On his return to Toronto, Mr. Dorfman was met by Mr. D. G. H. Wright, who had accompanied him part way to the property, and although both insist that no information was given, Mr. Wright, who is a partner of Denman & Company, proceeded to sell large blocks of stock, both on his own account and for Mr. Dorfman, some of Mr. Wright's transactions being definitely short sales. Mr. Dorfman, in anticipation of the stock coming to him from the syndicate, sold 58,000 shares through Denman & Company, and Bongard & Company on October 24 and 25. Mr. Bongard, who held a considerable amount of stock which he had purchased outright, sold that on the 24th and 25th. At first he did not intend to sell any of his syndicate stock, but on being assured that it would only be a "drop in the bucket," he sold 14,000 shares on October 24 over and above the stock which he had previously held outright. The balance of the stock was sold from November 9 to 16 at prices ranging from 27 to 35 cents, and he gave some 20,000 shares of his free stock to his customers to help even up their losses.

Profits to Insiders

Mr. Richardson states that his chief effort was to get his customers out first, and he sold only 5,000 shares of his free stock on October 26 and 27, the balance of some 128,000 being sold from November 1 to 12. Mr. Dunn, who is also a member of the syndicate, sold slightly over 20,000 shares Nov. 5 and 7, and sold none in October. The other members of the financing syndicate held, and still hold, their free stock. The result of the selling by those members of the syndicate who did sell stock which had cost them nothing, was roughly that Mr. Bongard realized about $36,000. Mr. Dorfman about $56,000, Mr. Dunn about $8,500, and Mr. Richardson about $66,000, including the monies received by Messrs. Dorfman & Richardson from Mr. Harcourt.

Mr. Harcourt sold a small amount of stock on November 5, but the 107,000 odd shares of free stock received as part of the syndicate profits are still in his keeping. Both Messrs. Bongard and Richardson state that Mr. Dorfman did not give them any definite information as to his findings, but that they judged the result from his attitude and, of course, from his selling.

Report Not Public

As I felt that Mr. Dorfman, who was at least a quasi member of the syndicate, was to some extent responsible for making public generally the information which he had obtained at the mine, I asked him how he justified his silence and his selling of his free stock. Apparently, he did not make a general report to the syndicate, but he did state that both he and Mr. Kaeding, after Mr. Tudhope had come to Toronto in response to a telephone communication, placed generally their findings before him, as a member of the syndicate and of the directorate as well. Mr. Tudhope admits this, but states that the information was given him in strict secrecy, and I am confident that he is correct in this. He also states that he did not place sufficient reliance in what they told him to make the matter public and the action taken by the company in retaining Percy E. Hopkins to report on the mine and check up the assays was, in his opinion, the only way to determine whether the opinion of Messrs. Dorfman and Kaeding was correct.

Misrepresented Facts

The directors of the company did not sell their holdings, and these include Messrs. Harcourt, Sheppard and Tudhope, who held large blocks of free stock from the underwriting syndicate with which they apparently thought it was unfair to flood the market. It may be unfair and unreasonable to attempt to draw any inference from the actions of the other members of the syndicate. The facts as above stated speak to a large extent for themselves, but I feel that Mr. Kaeding's action in bringing about so large a short sale, from which he himself expects to profit, cannot under all the circumstances be too strongly condemned, and Mr. Dorfman apparently felt at liberty to unload immediately the bulk of his own free stock.

Questions Position

Undoubtedly, both Messrs. Harcourt and Thomson misrepresented the facts. Neither made or caused to be made a proper assay plan, and Mr. Harcourt apparently made no check-up whatever of the reports made to him by his manager, although he had all the information and data to hand for the purpose. Mr. Harcourt, however, is an engineer and managing director of the company, was also a member of the financing syndicate and had sold to the public some 550,000 shares of stock, and just prior to the giving out of his final report in the middle of October, had brought about a further distribution of 150,000 shares, of which 50,000 went to a brokerage house in which he himself was interested. There was every reason therefore for him to conceal and distort the facts which stood out plainly from the assay sheets and to take the picture as presented by Mr. Thomson and to improve upon it as he apparently did in his statement to his directors and to the public, and from all of this an intent on his part to conceal the true facts from the directors and the public can readily be inferred, and I so find.

Dangerous Situation

This, to say the least, clearly demonstrates the danger of a mining engineer who may be an officer or consultant of mining companies having any interest whatever in a brokerage house. Such a situation is bound to be a dangerous one, and I have found in this as well as in other investigations that the reports given out by an engineers under such circumstances are bound to be too highly colored. In my opinion both the company and the department will have to consider whether Mr. Harcourt should be allowed to continue in this dual capacity, and to a lesser extent these remarks apply to Mr. Wright who, as a partner of Denman & Company, did perhaps more than his fair share in depressing the stock, along with Mr. Dorfman.

The main recommendations made by Mr. Hopkins are as follows:

1. That the drifts on the 125 and 250 foot levels be driven north along the shear zone in order to explore the area intersected by diamond drill hole No. 7, which indicated a vein section of good grade.

2. That in consideration of the fact that the cross-cut to the shear zone on the 375-foot level is at present almost completed, this cross-cut be continued to intersect the vein, and that a drift be driven north and south along the vein structure on this level.

3. That deeper development be postponed pending a program of deep diamond drilling, and that subsequent underground development be planned from the data thus obtained.

4. That a series of five deep diamond drill holes be drilled at an angle of 55 degrees to intersect the shear zone at a vertical depth of 500 feet. These holes to be drilled at right angles to the line of strike of the shear zone and located alternately on the east and west sides of the vein. This series of holes should be laid out to explore the shear zone at points 100, 200, 300 and 400 feet north of the shaft, and 200 feet south of the shaft, with the object of obtaining data as to the charater of the vein and geological structure at depth.

Another hole should be drilled from the 375-foot level station, at an angle of 65 degrees, to intersect the vein at a depth of approximately 500 feet.

5. That a proper system of survey points be established on the surface and a proper system of co-ordinates be established. That accurate plans of the surface and the underground workings be prepared, and kept up to date.

6. That a detailed geological plan of the surface be made.

7. That assay plans and vertical sections of the workings be kept.

8. That all diamond drill cores be carefully stored in core boxes, be properly examined, sampled, and accurate logs kept. The sampled portions should be split and one half of the core kept for purpose of record. That during drilling, sludge samples be carefully collected at ten foot intervals and used for checking core assays.

9. That the surface be further prospected in an endeavor to locate other veins.

Drilling of Sanca For Mill Information

Diamond drilling will start soon on the Sanca mining property, it was announced at the annual meeting of the shareholders held recently at Calgary.

A by-law to increase the number of directors from five to nine was passed.

The following were elected to the board: P. Burns, packing magnate and famous rancher; A. E. Cross, president of the Calgary Brewery and a cattle king; John I. McFarland, president of Okalta Oils, Ltd., and of Imperial Motors, Ltd.; W. S. Herron, vice-president and managing director of Okalta Oils, Ltd.; R. W. Ward, managing director of Canadian Bakeries, Ltd.; T. M. Carlyle, president Union Milk Co., Ltd.; W. S. Campbell, Edmonton; P. S. Woodhall, president and managing director of Steel Products, Ltd.; Wm. Frampton, Nelson and Sanca, B. C., and Sanca's mining engineer. Fred S. Whitaker is secretary of the company.

Mr. Frampton gave an interesting address on the progress at the mine during the past year. He stated that quite a large quantity of ore had been mined and that some of the high grade ore had been sorted out. He explained that diamond drilling would determine the size of the concentrator, the ore being of a medium grade suitable for milling. Surface showings indicated a large ore body, one mineralized vein from 90 to 100 feet in width being exposed for more than a mile.

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A plain statement of FACTS regarding development results on MURPHY MINES addressed to those seeking participation in the profits which come from "MAKING A MINE."

The discovery in August, 1928, on the Margueratt claim disclosed commercial values at surface over good mining widths in ideal geological structure and formation. This discovery led to active development at this point.

A shaft 100 feet deep 30 feet east of the discovery disclosed values over $8.00. A crosscut at the 100-foot level disclosed values and widths similar to the surface showings. A diamond drill hole 300 feet east on the shaft gave over 24 feet width of $8.75 average, including 6 feet of $15.50 ore. A second drill hole 500 feet east of shaft and 250 feet east of the first drill hole again disclosed continuance of values in the same heavily mineralized porphyry. These openings show a total length of 580 feet of structure with consistently related ore depositions. It remains to open and connect these by drifts.

A main 3-compartment shaft was completed to 650 feet in November, and crosscutting at the 600 level was started to intersect the Margueratt ore discovery directly under the first drill hole and 300 feet east of the 100-foot shaft.

This crosscut has the probability of cutting a northwesterly extension of main vein of the adjoining Ritchie Property, in which excellent values and widths were discovered in several diamond drill holes.

Also this crosscut is a very necessary part of the development program in order to fully explore the area lying north of the Margueratt discovery and the main shaft. Crosscutting will be completed in March. Meantime several possible ore developments may occur in connection with the several veins near the main shaft as well as the Ritchie vein.

The diamond drill has been moved to a point 1,050 feet east of the 100-foot shaft and should shortly again intersect the Margueratt ore body.

The above facts clearly and definitely indicate that exploration from the crosscut at the 600-ft. level will disclose continuance of the values and widths established by the diamond drill holes.

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Transfer Agents:
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LOCATION:

The mine is located 21 miles northeasterly from Lovelock, in the Antelope Springs Mining District, Pershing County, Nevada. It is located in the Humboldt range of mountains at an altitude of 5,100 feet. The mines are connected with the town of Lovelock on the Southern Pacific Railroad by a good automobile and truck road. The mines are supplied with electrical power from a government power plant at Lahonton, Nevada.

THE PROPERTY AND CLAIMS:

The property of Nevada Quicksilver Mines Inc. consists of eight unpatented mining claims, one unpatented placer claim, and 168 acres of patented railroad-grant land, forming a total area of about 330 acres. Its holdings are better known as follows:
Juniper Quicksilver—6 claims.
¼ Section—160 acres patented ground.
Fairview No. 1 Claim.
Colleen Group—2 claims.
Sage Brush Fraction.

THE NATURE OF THE ORE:

Cinnabar, the ore of quicksilver, was discovered near the Antelope Springs in the southend of the range, in 1916. The ore, which is found on the property, is cinnabar, a red quicksilver sulphide, carrying 86.2% quicksilver when pure.

INTERESTING FACTS IN CONNECTION WITH QUICKSILVER:

Quicksilver is sold in flasks of 76 lbs. each at an average price of $1.60 per lb., or approximately $120.00 a flask. The world's annual production is about 115,000 flasks, of which, so far, the United States contributes 10,000 flasks. The balance comes mostly from Spain and Italy. United States is the largest consumer in the world and uses about 35,000 flasks yearly, that is 25,000 flasks more than its production. Quicksilver is used for its chemical and physical properties in several industries, the most important being the manufacture of explosives, alloys, drugs, paints, electrical and other apparatus, mirrors, electrical signs and mercury boilers; it is also largely used in the amalgamation process in gold and silver mills. Quicksilver is the easiest metal to recover from its ore, the only metallurgical operations to be made are distillation and condensation.

THE MINING AND METALLURGICAL EQUIPMENT:

Development on this mine was begun December 1st, 1927. The plant was designed and constructed so that its capacity can be doubled within thirty days by the installation of an additional furnace. The present equipment consists of the following: One hoist house and gallows located on the Juniper claim; a 750 cu. ft. Ingersoll Rand compressor; a rotary furnace with a capacity of treating 40 tons of ore per day; an electric hoist; various condensers and a clean-up table and crusher.

THE OPERATIONS OF THE COMPANY:

The Nevada Quicksilver Mines Inc. mill went into actual operations in September, 1928, and on the 15th day of that month made its first shipment of 100 flasks. Below is an itemized statement of its monthly production and shipments from September 15th to January 1st, which totals 1317 flasks.

September 6th to 30th, 1928	195	Flasks
October	453	"
November	315	"
December (estimated for the last 8 days)	354	"
TOTAL	1,317	Flasks

Value: $158,000.00.

THE EARNINGS SINCE OPERATION:

The total of 1317 flasks of quicksilver produced and sold between September 15th and January 1st, were sold at an average price of $120.00. This was done with a total expense of little more than $300.00 per day, thus representing a monthly net profit of $35,000.00, being on the basis of an annual net profit of $420,000.00, equal to 21% of the company's total capitalization.

THE ESTIMATED FUTURE OPERATIONS AND EARNINGS:

The Directors have authorized the purchase of an additional 40-ton furnace for immediate installation, thus doubling the company's daily production. The company can manage an additional 40-ton furnace and double its capacity while only increasing its daily operating cost from $300.00 a day to $400.00 a day. Installation of a 40-ton furnace will cost less than $15,000.00.

THE FINANCIAL CONDITION OF THE COMPANY:

This issue does not in any way represent any new financing for the Nevada Quicksilver Mines Inc., the 2,000,000 shares being entirely sold and issued. The company has been amply financed to carry out its present operative and development plans and has as at January 1st, 1929, a total indebtedness of about $65,000.00. This means that by February 28th, 1929, from earnings the company will have wiped out all of its obligations and will go on a dividend basis.

THE INTRINSIC VALUE OF THE STOCK:

On September 20th, 1928, Prof. ADHEMAR MAILHIOT, Mining Engineer, Prof. of Geology, University of Montreal, made a personal visit to the property and below is an extract from his signed report:

"Figuring on a minimum depth of 600 feet of the ore-shoots there is a reserve of 270,000 tons of ore, or a sufficient quantity of ore to keep an 80-ton mill, daily capacity, in operation for approximately ten years, and yielding a net profit of $13,500,000.00 at $50.00 per ton."

This placed the stock of the company on an actual value at that time of $5.70.

THE SPECULATIVE VALUE OF THE STOCK:

At the time of Prof. ADHEMAR MAILHIOT'S visit to the mine on September 20th, the Juniper vein was only six feet wide and his estimate of $13,500,000.00 was based on that figure. Since that time further development work has been done which discloses that particular vein on 100 and 200 ft. levels, to be fourteen feet wide, of extremely rich ore and we rather doubt if that will prove to be the extreme width. A map of the entire property can be seen at the offices of Commonwealth Securities Limited and on this map what is marked as Mine No. 4 is the lime dyke to the extreme east. The showing there should make the largest body of ore of any place on the property. About the middle of October, 1928, a shaft was sunk on that particular showing. Speculatively speaking there should be on the entire property of the Nevada Quicksilver Mines Inc., $50,000,000.00 worth of quicksilver, giving a speculative value to the stock of $25.00 per share.

EXTRACT FROM PROF. MAILHIOT'S REPORT DATED JANUARY 5TH, 1929:

"At the time of my first visit I had figured out that there was approximately 8,000 tons of ore blocked out down to the 200 ft. level. The increase in width of the ore-shoot to 14 ft. now gives a reserve of about 19,000 tons down to the same level. If the ore is struck at the 300 ft. level, and there is no doubt in my mind that it will be, the visible ore reserve will be 28,500 tons down to that level (300 ft.). With regard to probable ore it is of course practically impossible to give definite figures. In my first report I had estimated the probable ore on the whole property, comprising the outcrop on the three main limestone beds to 270,000 tons to a depth of 600 ft., with an average width of 6 ft. for each ore-shoot. Now the ore-shoot No. 1 shows a width of 14 ft. or more than twice the original width on which my calculations were based. It is therefore possible that the ore reserve will be at 600,000 to 700,000 tons.

The following wire from the mine dated January 5th reads as follows:

"Entire face 300 foot level in ore with high grade streak stop ore is fully as good or better than on the 200 foot level stop will start sinking to 400 foot level as soon as station pump arrives."

J. H. CAUSTEN.

THE OPINION OF AN AUTHORITY ON QUICKSILVER:

H. W. Gould of San Francisco, who is known as the best authority on quicksilver in the United States, stated, at an address before the Nevada section of Mining and Metallurgy department of the MacKay School of Mines at Reno, Nevada, on October 17th that: "To-day Nevada has in the Friedman Mine in the Antelope Valley the largest production of quicksilver in the United States." He also predicted that during 1928 and 1929 Nevada will add greatly to the United States' production of "quick".

DATE OF EXPECTED DIVIDENDS:

It is conservatively estimated by the officers and directors of the company that, sometime during this coming summer of 1929, the company will start paying substantial dividends.

THE MANAGEMENT:

The management of the company is in the hands of men of proven ability and thoroughly conversant with the operations.

THE EARLY LISTING:

An early application for trading privileges will be made both in Canada and United States.

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Chibougamau-Gaspé Reports Are Published

The Geological Survey has published a summary report presenting the results of investigations by Dr. J. B. Mawdsley of the geology of the Chibougamau area, Quebec, and suggestions to prospectors in the search for economic deposits. It also contains descriptions by Dr. F. J. Alcock, of the zinc-lead deposits of central Gaspe, Quebec, with notes on the nature and extent of development work, and a description by Dr. L. J. Weeks of the physical features and geology of the Cumberland Sound area, Baffin Island. The report is accompanied by geological maps.

DRILLING RESULTS ON SUDBURY BASIN GROUP EXCELLENT

Falconbridge Plans to Launch Smelter Construction in Spring

Important information has been revealed during the few days on Falconbridge Nickel and Sudbury Basin, yet the market for the shares has in no way taken cognizance of this development. These two companies interests are close together inasmuch as Sudbury Basin owns 1,250,000 shares of Falconbridge.

The announcement on Falconbridge is that about May 1 the company will start the erection of a 200-ton smelter and expects to be producing nickel-copper matte by the end of the year. Undoubtedly the high price of copper and the exceedingly heavy demand for nickel, has caused the company to speed up plans.

The 200-ton plant is expected to produce between 1,700 and 1,900 tons of nickel a year, and about 900 tons of copper. It is expected that the ore will give a recovery of two and a half per cent. nickel and half that in copper. The initial production will be valued at something over $1,000,000 a year. There are now approximately 2,800,000 Falconbridge shares issued. While the extensive orebodies on the property may justify starting off with larger capacity, the directors feel that they should cautiously ease their way into the nickel market.

No diamond drilling is being done, the 3,000 feet performed under the purchase agreement having been completed. The crosscut at the 225-ft. level having gone through the orebody, the shaft is now on its way to the 375-ft. level, where the body will again be cut. Then the shaft will be sunk to 1,000 feet and a very large diamond drilling campaign be undertaken. This drilling will probably start in October.

The news on Sudbury Basin relates to the Vermillion Lake property. It is understood that recent diamond drilling has materially changed the complexion of the property.

Drilling at an angle of 70 degrees, a lense of ore was intersected which yielded a core giving an essay of 6.16 per cent. copper and 6 per cent. zinc across a width of 31 feet. Along with these metal assays also showed an average content of 2.36 per cent. of silver, bringing the average gross value of the ore indicated across this width in excess of $28 per ton.

Drilling through the ice at an angle of 50 degrees it is anticipated that the drills should catch the upward extension of this high-grade lense.

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FEW WELLS CLOSED BECAUSE OF WINTER

Oil Seekers Have Had Much Better Season and Are Pushing Ahead

CALGARY.—Fewer oil wells have been closed down this winter on account of weather conditions than at any time in the history of Alberta oil development, according to the Western Oil Examiner.

In the most northerly field, Von Weymarn Bros., of Oslo, Norway, were first to shut down. Their well on the Clearwater structure is at a depth of 500 feet.

International Oils, Ltd., is preparing to drill No. 3 well near Lesser Slave Lake in the spring, having abandoned No. 2 shortly after the freeze-up.

Rogers-Imperial No. 2, owned by Canadian Oil & Refining Co., Ltd., and situated on the Rogers Imperial structure, is idle for the winter. It is on a proven structure and there is probably no need to hurry its completion.

New Valley, northeast of Turner Valley, is scheduled to resume work on Mar. 1.

The weather man has done far more for the roads this last six months than the provincial government. In fact, there have been no transportation difficulties even for wildcatters in remote fields. Development has been expedited accordingly.

There is a stretch of 17 miles of mud road from Okotoks to Turner Valley and in wet seasons this means 17 miles of grief for the oil companies and even caterpillars have a hard time making their way through the sea of mud.

Ever since July there has been so little precipitation that even the armchair type of oil fan has been able to make regular trips to the field. Drillers say they have never seen so many visitors to the wells as this season.

The Alberta oil industry is getting some very valuable publicity through the large number of people who have been able to see the drilling outfits and producers in operation. In fact, weather conditions have given the oil industry a splendid start for 1929.

Question Interior Oil Sale to Wainwell

Alleging that Elijah H. Smith, John C. Kyle and Dr. Adam St. John, of Winnipeg, have wrongfully seized control of the Interior Oil Co., Ltd., and transferred its more important holdings to Wainwell Oils, Ltd., and themselves, seventeen shareholders of the Interior Oil, headed by James Shaw, filed a statement of claim in the supreme court at Edmonton, for a court order cancelling the transfers of property and an injunction restraining the defendants from further disposals of Interior Oil holdings.

According to the statement of claim, the plaintiffs charge that Smith, Kyle and Dr. St. John, although shareholders in the Interior, were not elected to the offices of director, secretary-treasurer and president, which they at present fill. The plaintiffs also allege that Smith, Kyle and St. John got possession of the books, documents of title and seal of the Interior Oil Co., and are keeping them in Winnipeg while refusing to call meetings of the shareholders.

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KOOTENAY-F. SEEKS THIRD ORE ZONE

Second Body Shows Good Length With Both Faces Still in Ore

NELSON, B. C.—With the second fissure of the Kootenay Frontenac's deep shear zone now opened in ore for 170 feet, with both faces still strong, another drill is being put into service to push into the ground beyond, seeking a possible third fissure, there having been three in No. 5 tunnel, lowest of the upper workings, 750 feet higher on the dip of the vein from the present or "900" level. As this lateral is going on in any case to eventually tap the Princess and Lakeshore veins, this work will also count toward that object.

Character of the ore in the east drift on the second fissure is changing, and it is thinning out on the farther or hanging-wall side, and the outer fork of the drift—the inner having been discontinued after showing some distance back a shoot width of 17 feet—has been swung inward to keep within the ore. In the otherwise milling ore a four-foot width of solid galena came in a few days ago, one round resulting in 17 mine-cars of shipping ore coming down. Width of the shoot at this point is not ascertainable without crosscutting, but it is more than tunnel width.

No work has yet been done on the introductory fissure, with its three-foot width of ore where cut. It is probable that an early exploratory move will be to raise in the body of replacement ore opened November 6 and named the Hoover shoot, to get a line on this shoot's upward continuation. As any vertical raise in that area must soon cut the shear zone, it would also give a line on the fissure in question.

Despite the cube galena rapidly accumulating, along with greater quantities of milling ore, only the cream of the ore will be shipped, toward development expense, and about a car has been sorted and sacked. This will be followed by others.

While a great deal remains to be ascertained about the ore bodies opened up in the Florence vein or shear zone, their upward continuation, for instance, being as yet only a matter of conjecture, it is now clear that a mill of fair capacity is justified, having in mind that the Florence has also upper ore, and plans are now being worked out for initial provision of mill facilities. The crushing part of the existing mill can treat an estimated minimum of 200 tons a day, and modern plant to make use of this will probably be installed.

Unless some reason should arise for crowding the program to get earlier production, it is unlikely the mill will be taken in hand for re-equipping before the normal and economical construction season, when three months should put it in shape for action.

The immediate objective of both directors and technical staff is to get ahead with development.

Mining Stock Quotations

Week Ending January 29.

	Par Val	Div. Rate	Yield	High for wk.	Low for wk.	Close	Sales for wk.	Range 1928 High	Range 1928 Low	Range 1929 High	Range 1929 Low
Abana	$1	....	....	3.30	2.70	2.80	284950	4.80	1.75	3.90	2.70
Aconda	1	....	....	.17	.13½	.14½	25900	.47	.10	.18	.13
Aladdin	.	....	....	....	....	....	....	1.85	1.20	1.84	1.78
Albain M.	1	....	....	....	....	....	....	1.05	.20	....	....
Algonquin	1	....	....	.01½	.01	.01½	18000	.03	.01	.01½	.01
Amity C.	1	....	....	.30	.28	.28	17000	.55½	.24	.35	.28
Amulet	1	....	....	3.25	2.85	2.89	218145	5.45	2.50	3.75	2.85
Apex	1	....	....	.03	.02	.02	11500	.09	.01	.05	.02
Area	1	....	....	.16	.14	.16	20800	.48	.11	.20	.14
Argo. Con.	1	....	....	.02½	.01½	.02	27200	.34	.01¼	.02½	.01
Arno	1	....	....	.50	.35	.48	118770	.39½	.15	.50	.19¾
Atlas	1	....	....	.02	.01	.01½	7000	.04¾	.01	.02	.01
Ankerite	1	....	....	....	....	....	....	1.25	.19	.15	.15
Bayview	25c.	....	....	.05	.04½	.04½	46150	.09¾	.04½	.06¼	.04½
Bagamac	1	....	....	....	....	....	....	....	....	....	....
Baldwin	1	....	....	.03½	.03	.03½	137500	.03½	.01	.03½	.01½
Barry Holl.	1	....	....	.33	.28	.30	65400	1.50	.25	.44	.28
Bathurst	None	....	....	.30	.25	.25	36900	.44½	.16	.38¾	.25
Bedford	1	....	....	.55	.48	.54	56100	.54	.32	.55	.46
Bidgood	1	....	....	.47	.35	.37	48300	1.60	.25	.60	.35
Big Horn	.	....	....	....	....	....	....	.44	.15	....	....
Big Missouri	1	....	....	1.75	1.51	1.58	436050	.90	.40	2.00	.75
Boischatel	None	....	....	.02	.01	.02	11500	.05	.01	.02	.01
B.C. Pioneer	.	....	....	....	....	....	....	2.00	1.75	....	....
Buckingham	1	....	....	.11	.07½	.09¼	496500	.10	.04½	.11	.07
Bunker Hill	None	....	....	.11¼	.09	.09	18275	.35	.07¾	.11¼	.07½
Cambro	1	....	....	....	....	....	....	.59	.10	.35	.19½
Can. Lorraine	1	....	....	.06	.04	.04	7500	.21	.06	.06	.04
Capitol S.	1	....	....	.10	.08	.10	9000	.18½	.05	.10	.05½
Capitol R.	1	....	....	.08½	.06½	.07¼	106300	.26½	.07	.10¾	.06½
Castle Tre.	1	....	....	.40	.37	.39	16900	.81½	.34	.40	.34
Cen. Man.	1	....	....	.70	.65	.65	49620	1.95	.58	.80	.64
Chaput H.	1	....	....	.10	.08	.09	17600	.18	.05½	.10	.07½
Clericy	None	....	....	.20	.18	.18	9500	.36	.07	.25½	.18
Clifton	1	....	....	....	....	....	....	.02	.00¼	.00	.00¼
Coast Copper	5	....	....	64.00	59.00	60.00	2210	66.00	8.00	65.00	53.00
Col. Kirk	1	....	....	.02	.01¼	.02	22500	.09½	.01	.02	.01¼
Coniagas	5	....	....	2.05	2.05	2.05	600	5.50	1.70	2.60	2.00
Coniaurum	5	....	....	2.25	1.90	1.90	810	5.50	1.00	2.50	1.25
Cons. Smelter	25	10+40	2.77	450	416	450	5399	400	239	450	374
Copper Hill	1	....	....	....	....	....	....	.46	.44	....	....
Cork Prov.	25c.	....	....	.26½	.21	.22	95250	.47	.19	.32½	.21
Corona	1	....	....	.03	.02⅛	.02¼	18500	.16	.02	.04	.02
Crown Res.	1	....	....	.12	.10	.10	27100	.70	.22	.19	.10
Davidson	1	....	....	....	....	....	....	.03	.00½	....	....
Dunkin	1	....	....	.24	.20	.22	60000	.55	.12½	.29	.18
Destor	1	....	....	....	....	....	....	.28	.20	.10	.10
Dome Mines	None	$1	10.00	10.40	10.00	10.00	9790	13.35	7.65	10.50	9.45
Dom. Kirk.	1	....	....	.01	.00¾	.00¾	2000	.06½	.01½	.01	.00¾
Don. Rouyn	1	....	....	.11	.10	.11	5000	.30	.10	.12	.10
Dubec	1	....	....	....	....	....	....	.72	.40	....	....
Duprat	1	....	....	.03	.02	.02½	45450	.12½	.02½	.03½	.02
Dupuy	1	....	....	....	....	....	....	.10¼	.10	....	....
Dunwell	1	....	....	....	....	....	....	.35	.20	....	....
Duthie	1	....	....	....	....	....	....	1.40	1.00	....	....
Everett	1	....	....	.02½	.01	.01½	16000	.33	.01	.02½	.01
Falconbridge	.	....	....	8.25	7.25	7.75	111769	5.30	4.50	8.25	5.15
Federal Kirk.	1	....	....	.04¾	.02	.04¾	1500	.77	.01	.05	.02
George Cop.	1	....	....	10.75	9.00	9.25	7535	8.65	2.50	11.50	7.95
Golconda	1	....	....	1.06	.99	1.00	108450	1.13	.66	1.05	.81
Goldale	1	....	....	.17	.17	.17	5500	.44	.11	.19	.14½
Gold Hill	1	....	....	.07	.05	.05½	63700	.38½	.05	.09½	.05
Gold Reef.	1	....	....	.01	.01	.01	1500	.03	.01	.01⅛	.00¾
Goodfish	1	....	....	.20½	.18½	.19	24800	.78	.15½	.25	.17
Graham	1	....	....	.34½	.31	.34	95700	.45	.18	.37	.28
Grandview	50c.	....	....	.87	.66	.78	458400	.87	.30	1.00	.54½
Granada	1	....	....	.25	.20½	.21	45700	.35½	.16½	.29½	.20
Grover Daley	1	....	....	.02¾	.02	.02	31500	.15	.02½	.05	.02
Harker	1	....	....	....	....	....	....	.43	.15	....	....
Hillcrest, c.	100	6	8.57	....	....	....	....	75.00	65.00	70.00	70.00
Hillcrest, p.	100	7	7.77	90.00	88.25	90.00	50	91.00	85.00	90.00	88.25
Hilltop	1	....	....	.06	.05½	.05½	30700	.23½	.03	.07	.03
Hollinger	5	65c.	....	9.90	9.00	9.10	14895	18.10	7.00	10.00	8.85
Howey Gold	1	....	....	1.15	1.05	1.10	63260	1.91	.61	1.25	1.05
Hudson	None	....	....	21.50	20.25	21.00	25835	23.25	16.40	22.25	20.00
Indian	1	....	....	.09½	.09½	.09½	1000	.15	.04½	.10	.05
Int. Nickel, new	n.p.		....	73.00	62.25	68.25	1070238	45.00	31.25	73.00	46.00
Jackson M.	1	....	....	.35	.05	.15	128580	1.02	.37	.40	.05
Keeley	1	....	....	.62	.50	.54	32650	.85	.37½	.62	.34
Keora M.	1	....	....	.01¼	.01	.01¼	1000	.05	.01½	.01¼	.01
Kirk. Hunt.	1	....	....	.06	.04	.04	28100	.26	.03	.06	.03
Kirk. Lake.	1	....	....	1.90	1.65	1.71	79375	2.75	1.05	1.92	1.58
Kirk. Prem.	1	....	....	.12	.12	.12	1000	.40	.10	.15	.10
Koot. Flor.	20c.	....	....	.26½	.22½	.23	112700	.47	.15	.30	.19¾
Koot. King.	1	....	....	.41½	.36	.36	43350	.67	.24	.51	.32½
L. Kamiskotia	.	....	....	....	....	....	....	1.28	.87	....	....
La Rose	1	....	....	....	....	....	....	.08⅜	.03	....	....
Lake Shore.	1	80+20c.	5.00	21.50	19.00	20.00	20036	27.20	14.75	21.50	18.75
Lebel Ore	1	....	....	.10	.10	.10	100	.59	.09½	.14	.10
Laval	1	....	....	.09	.07½	.08	75500	.38	.06	.10½	.07½
Lorrain C.	1	....	....	....	....	....	....	.03	.00½	.00¼	.00¼
Lorrain T.L.	1	....	....	....	....	....	....	.70	.30	.01	.01
Lucky Jim	10c.	....	....	.28	.22	.22	44100	.44	.21½	.28	.21½
McLeod R.	1	....	....	....	....	....	....	.35½	.34½	....	....
Malrobic	.	....	....	....	....	....	....	.37½	.29	.15	.15
Mandy	1	....	....	1.30	1.20	1.21	30895	3.50	1.15	1.45	1.20
Macassa	1	....	....	.25	.22	.23	20500	.55½	.16	.30	.22
Malartic	1	....	....	.98	.90	.90	99225	1.85	.70	1.14	.88
Marriott	1	....	....	....	....	....	....	.46	.04	....	....
McDougall.	1	....	....	.57	.52	.56	74650	.74¼	.31	.59	.46
McKinley	1	....	....	.24	.22¾	.24	3000	.21	.15	.24	.20
McIntyre	5	20	4.76	22.00	20.50	21.00	3675	29.00	18.80	24.00	20.50
Mentor	10	....	....	....	....	....	....	13.00	12.50	....	....
Millcrest	1	....	....	.03	.02½	.02½	15000	.12	.01½	.03	.01½
Mining Corp.	5	37½c.	....	5.25	4.75	5.15	136130	5.30	2.92	5.25	4.00
Moneta	1	....	....	....	....	....	....	.12	.07	....	....
Montreal R.	1	....	....	....	....	....	....	.16	.04¼	.02½	.02½
Mint Ore	1	....	....	.15	.10	.10	14210	.44	.10	.19	.10
Mond Nickel	10s.	18½	....	70.00	61.00	63.50	3846	46.50	20.00	70.00	45.00
Moss	1	....	....	.60	.60	.60	1000	.95	.25	.72½	.60
Murphy	1	....	....	.68	.63	.63	108250	.83	.28	.68	.55
Moffatt Hall	1	....	....	.14½	.12½	.13	23600	.35½	.08½	.20	.10
Morton Woolsey	25		....	.05½	.05	.05¼	103750	.09	.04⅝	.06½	.05
Nat. Silver.	50c.	....	....	....	....	....	....	.20½	.12	....	....
Newbec.	1	....	....	.38	.30	.33	107817	.69	.24½	.43	.30
Night Hawk	1	....	....	.05½	.05	.05	3500	.10	.05	.05½	.05
Nipissing	5	6	....	3.45	3.25	3.25	5675	6.20	2.50	3.90	3.25
Noble Five.	50c.	....	....	.80	.70	.70	78050	.53	.33	.82	.56
Noranda	None	....	....	70.00	59.65	62.50	291353	76.50	17.00	70.00	59.65
Noranda Rights		....	....	.75	.60	.65	3596	....	....	.75	.60
Nor. Canada	.	....	....	1.05	.98	.99	15600	.70	.60	1.05	.92
Ophir	1	....	....	....	....	....	....	.03	.00½	....	....
Osisko	.	....	....	.60	.45	.50	21300	.75	.35	.60	.45
Oregon	.	....	....	1.38	1.14	1.20	57500	....	....	1.38	1.14
Picard	1	....	....	.02½	.02	.02¼	280400	.77	.00¾	.02½	.01
Pawnee Kirk	1	....	....	.05½	.05	.05½	50800	.80	.05	.07	.05
Pend Ore	1	....	....	16.00	12.75	14.00	62998	25.50	8.00	17.00	10.00
P.L. Cobalt	1	....	....	.24	.23	.24	4200	.30	.06	.26½	.19
Porc. Crown	1	....	....	.03½	.02	.03½	6500	.08	.01	.03½	.02
Pioneer	1	....	....	.37	.34	.34	17200	.68	.31	.41	.33
Pioneer Gold	1	....	....	....	....	....	....	2.00	1.70	1.50	1.50
Potter Doal	None	....	....	.02½	.02	.02½	36500	.22	.01¼	.02½	.01½
Premier Gold	1	24c.	11.16	2.20	2.10	2.15	16905	3.50	2.14	2.35	2.10
Preston	1	....	....	....	....	....	....	.05	.01½	.03	.03
Porter Idaho	50c.	....	....	.76	.69	.69	10225	.88	.48	.82	.69
Reeves McD.	None	....	....	4.10	3.40	3.45	96915	1.25	1.25	4.50	1.25
Ribago	1	....	....	.04	.03	.03	10500	.25	.02½	.05	.02½
Rubec	1	....	....	....	....	....	....	.54¼	.04	.06½	.06
Realty & M	None	....	....	....	....	....	....	.54	.08	....	....
R. Montbray	.	....	....	.04½	.02	.04½	6230	.32	.05	.06	.02
Ruth Hope.	1	....	....	.63	.56	.56	49400	.71	.44	.73	.56
Rouyn Kenn	1	....	....	....	....	....	....	2.00	1.00	....	....
Rufus Argenta	.	....	....	.45	.37	.37½	116000	.37	.14	.57	.29
Simard	.	....	....	....	....	....	....	11.50	7.75	....	....
Silverado	1	....	....	1.25	1.15	1.15	8180	.80	.75	1.38	.95½
Silversmith.	20c.	....	....	....	....	....	....	.23	.08	....	....
Slocan King	20c.	....	....	....	....	....	....	.11	.05	....	....
Slocan Rambler	25c.		....	.26	.23	.25	31000	.20½	.16	.33	.10
Selkirk	.	....	....	....	....	....	....	.03½	.02¾	....	....
San Antonio	None	....	....	.20	.17	.17	19100	.57½	.18	.26½	.17
Siscoe	1	....	....	1.65	1.18	1.28	749040	.90½	.15	1.65	.89
Snowflake	50c.	....	....	.41	.36	.37	18650	1.35	.25	.42	.30
Stadacona	None	....	....	.10	.09	.09	42000	.21½	.07	.12½	.08
St. Anthony	1	....	....	.67	.64	.67	41100	.75	.32	.67	.45
Sudbury M.	1	....	....	.02	.02	.02	1000	.33½	.10½	.02	.02
Sylvanite	1	....	....	2.10	2.03	2.05	3400	3.90	1.95	2.55	2.03
Sherritt G.	1	....	....	7.25	6.95	7.20	166728	8.40	5.45	7.30	6.50
Sud. Basin	None	....	....	9.50	8.50	8.70	100510	12.00	5.15	9.75	8.25
Sud. Contact	1	....	....	.06	.04	.06	47000	.50	.05¼	.08	.04
Sunloch	1	....	....	4.25	3.75	4.00	3160	6.50	1.95	4.50	3.25
Tashota	.	....	....	.20	.17	.17	2000	.37	.12	.23	.15
Thom. Cad'c	1	....	....	.31	.26	.30	13700	1.06	.22	.50	.26
Topley	.	....	....	.62	.50	.52	220200	.65	.43	.62	.45
Teck Hughes	1	60c.	6.74	9.30	8.90	8.90	71362	11.60	7.50	9.90	8.85
Telluride	1	....	....	....	....	....	....	.58	.20	....	....
Toric	5	....	....	2.00	1.75	2.00	1850	3.50	2.00	2.50	1.75
Tough Oakes	1	....	....	.07	.05	.05	91400	.79	.07	.10½	.05
Towagmac	1	....	....	3.15	2.68	2.70	20683	4.75	2.25	3.85	2.68
Timiskaming	1	....	....	....	....	....	....	.10½	.05	....	....
Treadwell Y.	1	....	....	12.00	11.25	11.25	985	32.00	9.50	13.00	10.00
Vickers	1	....	....	.75	.75	.75	200	1.25	.60	.80	.50
Vipond	1	....	....	1.25	1.05	1.12	256700	.99	.42	1.25	.83
Waite Ackerman		....	....	....	....	....	....	2.75	2.50	2.75	2.35
West D. Lake	1	....	....	.08½	.08	.08½	24900	.17½	.07½	.10	.08
Wiltsey C.	1	....	....	....	....	....	....	.56	.34	....	....
Wright Har.	None	....	....	2.35	1.75	2.02	323775	6.80	1.40	2.95	1.45
Windfall R.	None	....	....	.06½	.06	.06	27600	.25	.02½	.07½	.05
Whitewater	1	....	....	1.35	1.10	1.15	13800	2.85	1.05	1.48	1.10
Woodbine	None	....	....	.03½	.03	.03½	121780	.46	.03½	.07	.03
CALGARY OIL STOCKS											
Acme	.	....	....	.33	.33	.33	350	.30	.17	.36	.33
Advance	1	....	....	.85	.72	.75	7850	.95	.25	.85	.54½
Alta. Pac.	1	....	....	.73	.66	.66	10475	.81	.30	.76	.58
Black Dia.	.	....	....	.21	.20	.20	1160	.35	.12	.21	.14
Brit. Dom.	1	....	....	.64	.61	.61½	2694	.75	.25	.65	.55½
Calmont Es.	.	....	....	....	....	....	....	1.00	.50	....	....
Calmont Treas.	1	....	....	.90	.90	.90	1895	2.10	.45	1.10	.67½
Cal. Pet. P.	.	....	....	....	....	....	....	5.50	3.05	....	....
Cherokee	.	....	....	....	....	....	....	.07	.06	....	....
Dalhousie	None	....	....	1.95	1.75	1.90	6290	4.25	1.50	2.12½	1.60
Dallas	.	....	....	.25	.25	.25	915	.30	.10	.25	.20
Devenish	None	....	....	.47	.43	.43	3659	.75	.25	.50	.37
East Crest	.	....	....	....	....	....	....	....	....	2.00	1.25
Great West.	1	....	....	....	....	....	....	.34	.10	.10	.10
Freehold	.	....	....	1.30	1.15	1.25	46795	....	....	1.30	1.15
Ill. Alta.	1	....	....	.70½	.60	.68	21445	.77½	.45	.70½	.60
Madison	.	....	....	....	....	....	....	.20	.07	.08½	.07
Mayland	.	....	....	....	....	....	....	2.56	1.06	3.20	2.40
McD.S.Ex.	1	....	....	2.20	2.05	2.05	625	3.00	1.40	2.30	2.00
McD.S.(new)	1	....	....	1.32½	1.25	1.25	3540	1.50	1.00	1.40	1.25
McLeod	1	....	....	4.55	2.55	2.70	16773	7.90	2.97	5.15	2.55
Mid West.	1	....	....	.35	.30	.33	4760	.60	.15	.35	.22
Mill City	1	....	....	.53	.51	.53	565	.55	.27	.60	.45
Moose M'yn	1	....	....	....	....	....	....	.30	.25	....	....
Okalta, c.	None	....	....	150.00	120.00	120.00	40	400.00	20.00	260.00	120.00
Okalta, p.	100	....	....	212.50	162.50	165.00	234	450.00	66.00	320.00	162.50
Ranchmen's	1	....	....	....	....	....	....	.80	.30	.45	.42
Regent	.	....	....	.25	.25	.25	1800	.90	.30	.56	.25
Royalite	None	....	....	66.50	61.50	61.50	219	84.00	45.00	67.00	61.50
Signal Hill	1	....	....	.13	.10	.10	2815	.30	.06	.15	.10
Spooner	1	....	....	1.30	1.23	1.25	4210	3.10	1.10	1.45	1.23
Stockmen	1	....	....	....	....	....	....	.60	.32	....	....
Turner Valley	1	....	....	.45	.40	.41	2240	.70	.30	.45	.40
United	1	....	....	1.80	1.65	1.65	1020	2.65	1.19	1.90	1.65
Vulcan	1	....	....	1.05	.85	.85	5285	3.00	1.50	1.55	.85

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The following prices are subject to confirmation:

	Bid	Asked
Anglo Sudbury		1.00
Astoria Rouyn	.07	.09
Bobjo	.30	.35
Brett-Trethewey	.29	.33
Canadian Kirkland	.04	.06
Gilbec	.37	.42
Harker Gold	.25	.28
Manitoba Basin	.38	.43
McMillan Gold	.80	.95
Old Colony	.42	.46
Wood Kirkland	..	.13

Other stocks quoted on application.
PHONE—WIRE—WRITE
Jay L. Francis & Co
45 RICHMOND W., TORONTO 2
WAverley 2711-2-3 Cable Jayfranc

To the Shareholders Granada Rouyn Mining Co., Ltd.
CAPITALIZATION $5,000,000
Shareholders are advised to have all stock registered in their own names in order to receive detailed report on results obtained by diamond drilling and shaft-sinking to date.
Write
Granada Rouyn Mining Co., Ltd.
Rouyn, Que.

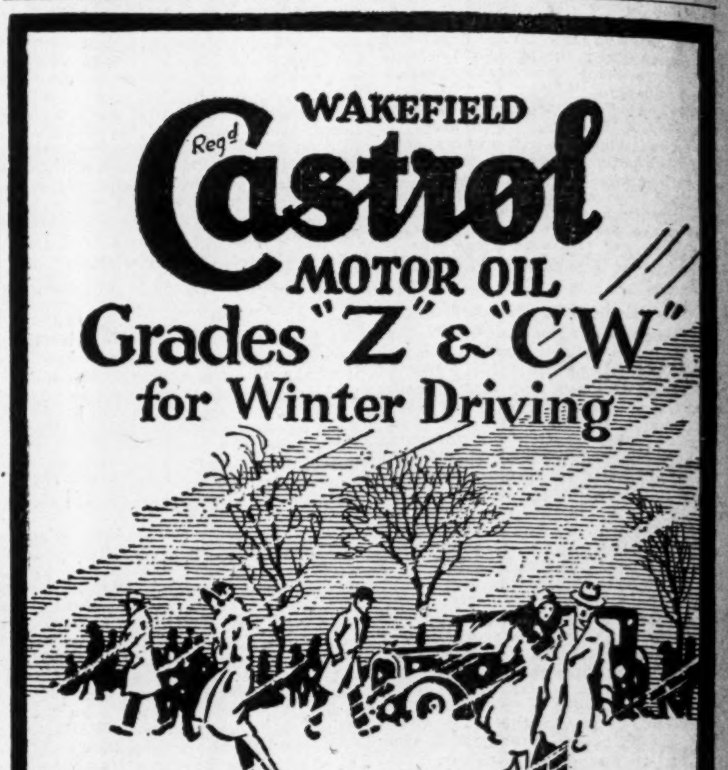
New Shoot Encountered on Slocan-Rambler

From Our Own Correspondent

NELSON, B.C. — The new shoot opened on Slocan Rambler has been drifted on for 60 feet, and gives every promise of being a source of important tonnage.

From the 1,400 ft. level the "Rambler" tunnel explorations was started in two directions, designed to further develop the Rambler-Cariboo shear zone.

After the south drift had passed several short stretches of commercial ore in some 480 feet of driving, this new ore body was encountered. Its average width is 30 inches of milling ore, which includes a high grade streak varying from two to six inches in width.



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Announcing change of name
On and after January 31st, 1929, the Brokerage business presently conducted under the name of
A. L. HUDSON & CO.
will be carried on under the firm name of
F. O'HEARN & CO.

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